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WHO OWNS CANADA?

An Examination of the Facts

concerning

The Concentration of the Ownership and Control
of the Means of Production, Distribution
and Exchange in Canada

BY

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PREFACE

All the talk about "enlightened capitalism", and the slogan "We are all capitalists now" which was so common six or seven years ago sounds particularly hollow and pathetic in 1935. Those who tried to talk themselves into the belief that they were Socialists, but walked the earth in mortal dreadlest Socialism come in their own days; those so-called radicals, labour men and "progressives" of various shades—who believed that the star of a new purified altruistic capitalism, which would benefit capitalist and worker alike and eliminate the need for the abolition of production for profit, had arisen in Detroit,—they have lived to see their unthinking phrases rise up to mock them. Those who go into similar raptures over "Codes", "N.R.A." and Roosevelt, Stevens and Bennett speeches will have the same bitter experience.

In spite of feeble and tortuous essays written to prove that the classic interpretation of the Capitalist economic system and its tendencies written in London sixty eight years ago is outmoded and all wrong, the developments of the first thirty-four years of the 20th Century have merely piled up mountains of facts which verify that interpretation and dot the "i's" and cross the "t's" of the statements made therein.

Lewis Corey's "Decline of American Capitalism", Berle & Means' "Modern Corporation and Private Property" and numerous Government reports have furnished proof of the concentration of the ownership and control of the means of production, distribution and exchange in the United States of America into comparatively few hands. There has been no similar work which would provide the facts and figures which would illustrate these tendencies in our Canadian economy, and as a result many have been inclined to believe that Canada is a country in the early stages of colonial development where "individual initiative" and the "little man" still rule the roost.

This pamphlet does not presume to do for Canadian economic life what the works of Corey and others have done for the United States: It is designed to supplement them and supply the necessary factual material for the study of the progress of capitalist development in Canada. With the exception of the necessary changes in adapting them to pamphlet form, the contents consist of a reprint of 11 articles which have appeared in the "C.C.F. Research Review", the first of which appeared in the issue of March, 1934. Naturally some changes have occurred since the articles were first written. Some of "Canada's Fifty Big Shots" have died. Others have taken their places. The assets of some corporations have increased. Others have decreased. With very few exceptions, we have not attempted to make any changes in the statistics, for deaths and changes in directorates make no fundamental changes in the economic system as it is.

If you really want to know something about Canada, if you want to know who really owns its natural resources, its governments, its productive and distributive machinery and its people, then read the pages which follow. My immediate task in writing these chapters is finished. Yours will begin when you have read them. What are you going to do about it?

January 1, 1935.

WATT HUGH McCOLLUM.

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CHAPTER 1.

Canada's 100 Biggest Corporations

WHO owns Canada, its farm lands and forests, mines and fisheries; its factories, transportation and communication systems; its banks and insurance companies? Is it owned by the Dominion of Canada? Certainly not, for all our past governments in this country have held fast in practice, if not in theory, to the principle of private ownership of public property.

Is it owned by the people of Canada, its farmers and factory workers, the men and women who work on its transportation and communication systems, in its offices, schools, and hospitals? Most emphatically no, for the vast majority of these, according to government statistics, do not own enough or earn enough to be liable to pay even the minimum of income tax.

Is it owned, perhaps, by the thousands of shareholders and bondholders who have invested their savings in the 57 varieties of debentures, bonds, Class "A" shares, Class "B" shares, "preferred" stock and "shares of no par value" which serve as bottomless sacks to swallow up the dollars of the gullible and credulous people, who believe that by "wise" investment they can provide for illness or old age, or obviate working for a living? Evidently not, for these shareholders and bondholders find themselves in increasing numbers the holders of beautifully engraved stock certificates, tastefully ornamented with gilt seals, the immediate value of which is as ornamental wall-paper.

Who controls Canada, its mines and natural resources, its transportation system and manufacturing equipment, its credit and financial institutions? Is it controlled by its duly elected parliament? Certainly not, for parliaments come and parliaments go, whether Conservative or Liberal, but no election sees any change in those few who really control the life of the nation.

Is it controlled by the thousands of shareholders, those "widows and orphans" who, we are often told, have risked their capital that Canada might build itself strong and prosperous? Anybody with the least knowledge of company laws, the use of proxies, and the mysteries of "non voting" stock must realize that the shareholder has as much to say in the management and control of the company into which he has sunk his savings as he has over the phases of the moon or the ebb and flow of the tides.

One hundred great corporations dominate Canadian industry! Fifty Canadian "Big Shots" hold within their hands the fate of these great corporations and many more, and through these companies they control the lives and fates, not only of ten million Canadians, but also of millions of Brazilians, Mexicans, Spaniards, and Frenchmen.

What are these 100 great corporations?

Who are these 50 "Big Shots"?

What does their ownership and control mean to those who work or seek to work that they may live in this country?

We shall endeavor to answer these questions in the chapters which follow, and in doing so will use only such statistics and information which can be found in such authoritative and respectable sources as the Canada Year Book 1933, published by the Dominion Bureau of Statistics, at Ottawa, and the "Canadian Directory of Directors, 1933", "The Survey of Corporate Securities of Canada, 1933" and the "Business

WHO OWNS CANADA?

Year Book, 1933", all published by the "Financial Post" of Toronto. The statistics available are not as complete as would be advisable. That is not our fault, nor the fault of the publications we have used as source material, but the fault of the numerous corporations whose financial statements are either not published or are prepared in such form as to give as little information as possible.

"The Financial Post Survey of Corporate Securities of Canada, 1933" furnished us with the gross assets of 358 Canadian corporations whose securities are available for public purchase. To these we have added the assets of 30 mortgage and trust companies, 16 insurance companies, the T. Eaton Co. Ltd., the Canadian National Railways, the Saskatchewan Wheat Pool, and the Ontario Hydro Electric Commission, making a total of 408 corporations with total gross assets of \$17,005,666,749. This is made up as follows:

Table No. 1

Number of Corporations	Kind of Corporation	Gross Assets
Financial Corporations—		
10	Banks, Mortgage and Trust Co's.	\$ 5,426,975,545
16	Insurance Companies	1,643,059,573
19	Investment Trusts	104,071,110

9	Transportation Systems	\$ 7,174,106,228
51	Public Utilities	3,773,827,256
166	Manufacturing Companies	2,088,525,756
25	Pulp and Paper Corporations	1,717,934,215
9	Mining Companies	1,384,766,005
27	Merchandising Companies	322,789,220
20	Construction Companies	244,352,739
13	Grain Storage and Marketing Companies	117,898,866
8	Amusement Companies	114,482,347
5	Real Estate Companies	38,917,804

408		\$ 17,005,666,749

The 100 largest corporations in the Dominion of Canada (excluding all banks, insurance companies, and financial corporations) have total gross assets amounting to \$8,866,602,379. Deducting the total gross assets of all banks, insurance companies and financial corporations from the gross total given in Table No. 1, it will be seen that the total gross assets of all non-financial corporations in Canada (333 companies) as listed in the "Financial Post Survey of Corporate Securities, 1933", with the addition of the Canadian National Railways, Ontario Hydro Electric Commission, T. Eaton Co. Ltd., and Saskatchewan Wheat Pool are \$9,831,560,521. Thus the 100 largest non-financial companies, being 30% of all such companies in Canada, have 90.1% of all the assets of such companies.

Table No. 2 lists the 100 largest corporations in Canada in the order of their gross assets. It will be noted that the Canadian National Railways, which is the largest corporation in Canada, together with the Canadian Pacific Railway Company, are the only corporations in Canada with gross assets over one billion dollars. The next 13 corporations all have gross assets exceeding one hundred million dollars each, and the next group, consisting of 11 corporations, each have gross assets exceeding 50 million dollars. The group of corporations whose assets are each less than 50 million dollars, but more than 25 million dollars, includes 34 companies ranging from the Consolidated Mining and Smelting Company of Canada to the Nova Scotia Steel and Coal Company. All of the remaining 40 corporations each have gross assets exceeding 10 million dollars.

WHO OWNS CANADA?

Table No. 2

THE 100 LARGEST CORPORATIONS IN THE DOMINION OF CANADA
(Exclusive of Banks, Trust and Insurance Companies)

		GROSS ASSETS
1.	1. Canadian National Railways	\$2,315,464,827
2.	2. Canadian Pacific Railway Co.	1,375,366,013
—	3. Brazilian Traction, Light & Power Co.	383,000,234
3.	4. Ontario Hydro Electric Power Commission	373,010,000
4.	5. Imperial Oil Co., Ltd.	265,757,758
5.	6. Bell Telephone Co. of Canada	217,310,210
6.	7. Canada Power & Paper Corporation	212,974,612
7.	8. International Nickel Co. of Canada	179,921,097
8.	9. Abitibi Power & Paper Co.	178,177,089
9.	10. Shawinigan Water & Power Co.	176,270,686
10.	11. Montreal Light, Heat & Power Consolidated	172,701,913
11.	12. British Columbia Power Corporation	115,228,251
—	13. Barcelona Traction, Light & Power Co.	121,705,986
—	14. Mexican Light & Power Co.	107,933,343
12.	15. T. Eaton Co., Ltd.	100,035,000
13.	16. Price Bros. & Co., Ltd.	75,500,213
14.	17. St. Lawrence Corporation Ltd.	69,196,215
15.	18. Imperial Tobacco Co. of Canada, Ltd.	69,069,593
16.	19. Aluminium Ltd.	68,267,126
17.	20. Montreal Tramways Ltd.	65,569,237
18.	21. Duke Price Power Co.	63,785,045
—	22. Mexico Tramways Co.	58,608,543
19.	23. Steel Company of Canada	58,657,637
20.	24. Beauharnois Power Corporation	58,369,128
21.	25. Ford Motor Co. of Canada	55,010,067
22.	26. Algoma Steel Corporation	50,660,129
23.	27. Consolidated Mining & Smelting Co. of Canada	48,921,231
24.	28. Canada Cement Co., Ltd.	48,672,914
25.	29. Dominion Steel & Coal Corporation	48,271,334
26.	30. Canadian Industries Ltd.	47,807,243
27.	31. Massey Harris Co.	45,271,432
28.	32. Winnipeg Electric Co.	45,212,180
29.	33. Spruce Falls Power & Paper Co.	43,902,110
30.	34. Power Corporation of Canada Ltd.	43,592,101
31.	35. Canadian General Electric Co.	39,958,306
—	36. International Power Co.	38,353,976
32.	37. MacLaren Power & Paper Co.	38,292,729
33.	38. Union Gas Co. of Canada	37,788,859
34.	39. Simpsons Ltd.	37,111,969
35.	40. Dominion Textile Co., Ltd.	36,150,707
36.	41. Hudson's Bay Co.	35,076,832
37.	42. Hiram Walker-Goodeham & Worts, Ltd.	34,867,488
38.	43. Canada Northern Power Corporation	35,335,101
39.	44. McColl Frontenac Oil Co.	33,491,919
40.	45. Dominion Gas & Electric Co.	32,241,466
41.	46. Canadian Car & Foundry Co.	30,496,421
42.	47. St. Lawrence Paper Mills Ltd.	30,273,300
43.	48. British Columbia Telephone Co.	29,987,004
44.	49. Sask. Co-operative Wheat Producers (Wheat Pool) ..	29,937,760
45.	50. Fraser Companies Ltd.	29,781,200

WHO OWNS CANADA?

Table No. 2 (Continued)

THE 100 LARGEST CORPORATIONS IN THE DOMINION OF CANADA
(Exclusive of Banks, Trust and Insurance Companies)

			Gross Assets
46.	51.	Dominion Coal Co.	29,304,160
47.	52.	Quebec Power Corporation	29,116,454
48.	53.	Manitoba Power Co.	\$ 28,015,755
49.	54.	Hydro Electric Securities Corporation	27,772,299
50.	55.	British American Oil Co.	27,601,332
51.	56.	Southern Canada Power Co.	26,921,846
52.	57.	Distillers Corporation Seagrams Ltd.	25,918,975
53.	58.	Consumers Gas Co. of Toronto	25,623,453
54.	59.	Nova Scotia Steel & Coal Co.	25,591,005
55.	60.	Bathurst Power & Paper Co.	24,637,937
56.	61.	Howard Smith Paper Mills Ltd.	24,614,600
57.	62.	Famous Players Canadian Corporation	24,391,684
58.	63.	Goodyear Tire & Rubber Co.	22,777,701
59.	64.	Canadian Canners Ltd.	22,372,285
60.	65.	Dominion Bridge Co.	21,965,497
61.	66.	Algoma Central & Hudson's Bay Railroad	21,015,884
62.	67.	Dominion Rubber Co., Ltd.	20,735,391
63.	68.	National Breweries Ltd.	18,939,230
64.	69.	Canadian Westinghouse Co.	18,731,440
65.	70.	United Fuel Investments Ltd.	18,210,093
66.	71.	Canadian Terminal Systems Ltd.	18,039,477
67.	72.	Canadian Western Natural Gas, Light, Heat & Power Co.	17,200,719
68.	73.	Maple Leaf Milling Co.	16,801,157
69.	74.	Canadian Cottons Ltd.	16,703,823
70.	75.	Burns & Co., Ltd.	16,687,361
71.	76.	Algoma Consolidated Corporation	16,645,731
72.	77.	General Steel Wares Ltd.	16,374,387
73.	78.	West Kootenay Power & Light Co.	15,921,828
74.	79.	Service Stations Ltd.	15,710,618
75.	80.	Ogilvie Flour Mills Co., Ltd.	15,305,591
76.	81.	Lake Superior Corporation	15,070,516
77.	82.	Cockshutt Plow Co.	15,222,023
78.	83.	Lake St. John Power & Paper Co.	14,961,745
79.	84.	Mersey Paper Co.	14,282,657
80.	85.	Sherwin Williams Co.	14,235,267
81.	86.	Ottawa Light, Heat & Power Co., Ltd.	14,058,340
82.	87.	Dominion Tar & Chemical Co.	13,211,396
83.	88.	Lake of the Woods Milling Co.	13,082,832
84.	89.	Canadian Celanese Ltd.	13,059,779
85.	90.	Wabasso Cotton Co., Ltd.	12,998,305
86.	91.	Canadian Industrial Alcohol Ltd.	12,765,672
—	92.	Porto Rico Power Co.	12,762,670
87.	93.	Dominion Glass Co., Ltd.	12,271,237
88.	94.	Gypsum, Lime & Alabastine Ltd.	11,962,117
—	95.	Foreign Power Corporation Ltd.	11,948,762
89.	96.	Restigouche Co., Ltd.	11,686,986
90.	97.	Donnacona Paper Co., Ltd.	11,616,103
91.	98.	Provincial Paper Ltd.	11,443,357
92.	99.	United Grain Growers Ltd.	11,540,834
93.	100.	Eastern Dairies Ltd.	11,109,140
			\$8,866,602,379

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Table No. 2" a"

**Seven Additional Corporations Replacing Seven Canadian Corporations
Operating in Foreign Countries**

	GROSS ASSETS
94. Federal Grain Co., Ltd.	\$ 11,041,766
95. Great Lakes Power Co., Ltd.	10,976,867
96. Montreal Island Power Co., Ltd.	10,944,662
97. Page Hershey Tubes Ltd.	10,862,314
98. Maritime Telegraph & Telephone Co., Ltd.	10,814,260
99. Mount Royal Hotel Co., Ltd.	10,634,880
100. United Securities Ltd.	10,447,591
	<u>\$75,621,329</u>

Seven public utility corporations which appear in Table No. 2 with gross assets totalling \$734,463,514, although incorporated in Canada, operate and have their assets in foreign countries, namely in Brazil, Mexico and Spain. These are as follows:

Brazilian Traction Light and Power Co., Ltd.	\$383,000,234
Barcelona Traction Light and Power Co., Ltd.	121,795,988
Mexican Light and Power Co., Ltd.	107,833,313
Mexico Tramways Co., Ltd.	58,668,543
International Power Co., Ltd.	38,353,876
Porto Rico Power Co., Ltd.	12,762,670
Foreign Power Corporation Ltd.	11,948,762
	<u>\$734,463,514</u>

If these 7 Canadian corporations operating in foreign countries are removed from the list and the 7 Canadian corporations in table 2" a" substituted for them, the total gross assets of the 100 largest non-financial corporations operating in Canada would be \$8,207,760,194.

The question then arises as to whether the 408 corporations represent any considerable proportion of the total wealth of Canada. It is interesting and revealing therefore to compare the figures given in Table No. 1 with the table taken from Page 872 of the Canada Year Book 1933. This table gives the National Wealth of Canada under the following headings:

Transportation	\$3,302,657,000
Manufacturers	2,255,845,000
Pulp & Paper	1,877,000,000
Merchandising	1,136,291,000
Public Utilities	1,086,027,000
Mining	867,021,000
Construction	137,685,000
	<u>\$10,862,526,000</u>

Let us first deduct from the 408 companies the 33 companies included in the categories of Grain Marketing, Amusements, Real Estate and Public Utility Companies operated abroad besides the banking, insurance and financial corporations. It then becomes evident that the remaining 300 companies account for \$8,915,629,531 out of the total assets of \$10,662,526,000 for all such enterprises in Canada. In other words, 300 Canadian companies operating in Canada have 83.6% of the total assets of all Transportation, Public Utility, Merchandising and Manufacturing enterprises in Canada, and of these 300 companies, the ones which come within the first 100 have 84.5% of the total gross assets. Can the concentration of ownership and control of production and distribution proceed very much further?

CHAPTER 2.

Canada's Fifty Big Shots

DETAILED analysis of the directors listed in the "Canadian Directory of Directors, 1933" and the "Survey of Corporate Securities of Canada, 1933", both published by "The Financial Post", brings out the fact that fifty men, through their seats on the directorates of numerous banks and insurance companies, transportation and public utility companies, merchandising and manufacturing companies, etc., and their interlocking directorates are the real dictators of Canada, controlling the major portion of the means of production, distribution and exchange, and through them the economic, political and educational activities of the nation.

Of course, no hard and fast line can actually be drawn between those who come within the magic circle of fifty and those who fall just short of being included. The table which is given on the following two pages lists the fifty Canadian directors who hold directorships and companies whose assets total in some cases as much as four billion dollars and more, and in no case do these assets fall below one billion dollars. The total assets given against each name are minimum figures. They do not include the assets of some companies which were not ascertainable, and they do not include the assets of wholly owned subsidiary corporations. They form the "Diamond Horseshoe" in Canada's tragic opera of economic, political and social life. Others such as Gordon C. Edwards, Robert C. Brown and the "public utility twins," A. J. Nesbitt, and P. A. Thompson, occupy front seats in the more expensive sections but do not yet come within the charmed circle.

We have traced the age, place of birth, education and affiliations of these fifty "Big Shots" through the latest bulky volume of the "Canadian Who's Who", and here are the results:

Place of Birth.—With the exception of 5 who were born in the United States of America, not one of the fifty are what is usually called "foreign born." Three claim Scotland as their place of birth, one hails from Ireland, and of the remaining forty-one who were born in Canada, twenty-three were born in various parts of Ontario, sixteen in Quebec, one in New Brunswick and one in Nova Scotia. The Angus, Morrow and Sise families have each contributed two brothers to Canada's financial and industrial oligarchy.

Age.—The "Daddy" of them all is Senator F. L. Beique, a director of the C.P.R. and the Banque Canadien Nationale, who still sits on those boards at the ripe old age of 88; and the "youngster" is the scion of the Price family of "Pulp and Paper" fame, Lieut. Colonel John H. Price, who plunged into the directorship of seventeen companies with assets of over \$1,109,000,000, at the age of 35. Excluding three whose ages are not given in the "Canadian Who's Who", two of these directors are over 81 years of age, thirteen are from 71 to 80 years of age, fourteen are from 61 to 70 years of age, thirteen are from 51 to 60 years of age, four are from 41 to 50 years of age, and one is under 40. We often hear of a man in search of a job being considered too old at 40, but here we have thirty-one out of these fifty "Big Shots", or 62% who are 60 years of age or over.

Profession.—With the exception of some of the public utility magnates who have received a professional training as engineers, very few of the others have had any training which would fit them to control their numerous corporations. The law seems to be the commonest stepping stone to financial control, for eleven out of the fifty "Big Shots" are, or were, lawyers

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at some time. Six were engineers and six claim to be manufacturers. Only four have had any banking experience and none of these four have had any training in economics or the science as distinct from the "art" of banking. In fact, three of these bankers finished their education with a few years of high school and one completed his in the elementary school. Four of our select fifty can only describe themselves as "Financiers" and three as "Insurance Brokers." Then we have one each of the following: contractor, dry goods clerk, farmer, grain merchant, mechanic, rancher, stenographer, and traffic clerk.

Education—Of the forty-eight directors whose education was stated, 28 had a university education, 15 a high school or college education, and 5 an elementary education.

Bank and Railway Directorates—Of the fifty directors, forty-six hold bank directorates. Fifteen are with the Bank of Montreal, fifteen with the Royal Bank of Canada, ten with the Canadian Bank of Commerce, two with the Bank of Toronto, and one each with the Dominion Bank, Bank of Nova Scotia, Banque Canadien Nationale and Imperial Bank of Canada.

Seventeen out of the fifty are directors of the C.P.R. and one is a Trustee of the Canadian National Railways.

Other Affiliations—There is no doubt that the church affiliations of these fifty directors have little if any effect on their financial activities. It is interesting to note, however, that almost all of them are professing members of some church. According to the "Canadian Who's Who", of the forty-eight who gave their church affiliations, three were Catholics, and the remaining forty-five were Protestants. Of these forty-five, 14 were Anglicans, 10 were Presbyterians, 6 belonged to the United Church of Canada and the remaining 15 merely described themselves as being Protestants.

Only sixteen out of the fifty openly expressed active membership in political parties according to "Canadian Who's Who", and of these, ten were Conservative and six were Liberals.

Some time ago an examination paper used in the Roman Catholic schools of Montreal contained the question, "Who owns Canada?" The answers were not very illuminating and the Catholic School Commission decided to submit the problem to the highest authority. They wrote the Secretary of State at Ottawa, and this is the answer they received from Mr. Cahan:

"I have received your letter . . . with regard to your question as to whether Great Britain owns Canada. I do not think Great Britain owns Canada any more than Canada owns Great Britain. Canada, as well as Great Britain, is an autonomous member of the British Commonwealth, and except in respect of their association as such members, Canada is as independent of Great Britain as Great Britain is independent of Canada. The people of Canada own Canada, although the word 'own' is not very appropriate in this connection."

—Winnipeg Free Press, May 3/33.

The Hon. Mr. C. H. Cahan, K.C. was right! The word "own" is not very appropriate in this connection!

CANADA'S 50

Name		Place of Birth	Age	Profession	Religious Denomination
(c) (a)	Sir Herbert Holt	Ireland	78	Engineer	Anglican
(c) (a)	Wm. A. Black	Canada ..	72	Clerk	Anglican
(c) (a)	Ross H. McMaster	Canada ..	61	.....	Presbyterian
(c)	Sir Chas. H. Gordon	Canada ..	67	Sales Clerk	Protestant
(c)	E. W. Beatty	Canada ..	67	Lawyer	Presbyterian
(c)	Col. Hon. H. Cockshutt	Canada ..	76	Manufacturer	Protestant
	J. W. McConnell	Canada ..	67	.....	Protestant
(c)	Wm. Norman Tilley	Canada ..	76	Lawyer	Protestant
(c)	R. S. McLaughlin	Canada ..	63	Manufacturer	United Church
(d)	F. K. Morris	Canada ..	48	.....	Protestant
(c)	Jas. A. Richardson	Canada ..	49	.....	Protestant
	C. B. McNaught	Canada ..	57	Broker	Presbyterian
(c)	W. J. Blake Wilson	Canada ..	?	Farmer	Protestant
	Senator A. J. Brown	Canada ..	73	Lawyer	Presbyterian
	Julian C. Smith	U.S.A. ..	55	Engineer	Protestant
(b)	Robert Adair	Scotland ..	69	.....	Presbyterian
(c)	A. D. MacTier	Scotland ..	66	Stenographer	Anglican
(c)	Lord Shaughnessy	Canada ..	50	Lawyer	Catholic
	Wm. F. Angus	Canada ..	60	Engineer	Presbyterian
	E. R. Wood	Canada ..	67	.....	United Church
	Lieut. Col. H. Molson	Canada ..	58	.....	Anglican
(a)	Rt. Hon. Sir Thos. White	Canada ..	67	Lawyer	Presbyterian
(a)	Major Gen. S. C. Mewburn	Canada ..	70	Lawyer	Anglican
	G. H. Duggan	Canada ..	71	Engineer	Anglican
(c)	Morris W. Wilson	Canada ..	50	Banker	United Church
(b)	Hon. Thos. Ahern	Canada ..	48	Broker	Protestant
(b)	A. E. Dymant	Canada ..	65	Financier	Protestant
	Miller Lash, K.C.	Canada ..	60	Lawyer	Protestant
(c) (b)	John W. Hobbs	Canada ..	58	Manufacturer	United Church
(c) (b)	Hon. F. L. Belque	Canada ..	58	Lawyer	Catholic
(c) (a)	Brig. Gen. F. S. Meighen	Canada ..	54	Financier	Presbyterian
(b)	Hon. Patrick Burns	Canada ..	78	Rancher	Catholic
	Hugh Paton	Scotland ..	82	Contractor	Presbyterian
(c)	Grant Hall	Canada ..	70	Mechanic	Anglican
	Arthur F. White	Canada ..	49	Banker	Anglican
(a)	F. E. Meredith, K.C.	Canada ..	72	Lawyer	Protestant
	Sir F. Williams Taylor	Canada ..	71	Banker	Protestant
	Huntley R. Drummond	Canada ..	?	Manufacturer	Protestant
	Sir John Aird	Canada ..	79	Banker	Protestant
	D. Forbes Angus	Canada ..	?	.....	Presbyterian
	Walter Gow, K.C.	Canada ..	62	Lawyer	Presbyterian
	George Wm. Allan	Canada ..	74	Lawyer	Anglican
(a)	Wm. H. McWilliams	Canada ..	73	Grain Dealer	Anglican
(a)	Wm. Massey Birks	Canada ..	65	Manufacturer	United Church
	Lieut. Col. John H. Price	Canada ..	35	Financier	Anglican
	H. C. Cox	Canada ..	61	Broker	United Church
(a)	Chas. S. Wilcox	U.S.A. ..	78	Manufacturer	Anglican
	C. F. Sise	U.S.A. ..	60	Engineer	Anglican
	G. Harrison Smith	U.S.A. ..	54	Financier	Protestant
	Paul F. Sise	U.S.A. ..	55	Engineer	Anglican

(a) Conservative. (b) Liberal. (c) C.P.R. Director. (d) C.N.R. Director.

“BIG SHOTS”

Education	Bank Director	Number of Corporations										Total Assets of Corporations	
		Financial	Insurance	Transport	Public Utilities	Pulp-Paper	Mining	Manufacture	Total Co.'s				
University	R.B.C.	11	3	5	7	2	4	6	3	15	66	\$4,784,577,233	
Elementary	B.M.	5	...	1	...	3	1	2	1	7	20	4,063,230,455	
High School	B.M.	2	1	2	...	1	...	1	1	7	15	3,852,237,543	
High School	B.M.	5	3	2	1	1	1	3	...	14	30	3,732,726,675	
University	B.M.	2	2	4	2	...	2	1	...	...	13	3,434,600,201
University	B.M.	3	1	2	1	...	...	1	2	3	13	3,202,372,603
Elementary	B.M.	2	1	1	2	...	1	1	...	6	14	3,019,770,830	
University	B.M.	2	1	1	...	...	...	...	...	4	...	2,988,359,603
High School	D.B.	1	...	1	...	...	2	...	...	10	14	2,922,677,735
College	B.T.	2	...	1	...	...	3	...	...	10	16	2,772,773,912
University	C.B.C.	2	3	2	...	...	4	2	1	4	18	2,623,032,719
High School	R.B.C.	4	2	1	...	1	2	...	2	5	17	2,376,495,029	
High School	R.B.C.	2	2	4	...	1	2	4	1	3	19	2,326,768,386	
University	R.B.C.	5	...	1	...	4	2	...	1	5	18	2,257,942,172	
University	R.B.C.	5	...	1	9	...	2	...	1	3	21	2,241,965,417	
High School	R.B.C.	2	2	...	...	...	...	...	...	4	...	2,202,769,578
High School	R.B.C.	2	...	9	...	...	1	1	...	...	13	2,201,176,518
University	C.B.C.	2	...	1	1	...	...	...	...	3	7	2,020,444,268
University	R.B.C.	2	...	...	1	...	...	...	3	7	13	1,866,074,104
University	C.B.C.	4	4	...	7	2	...	...	...	1	18	1,839,725,300
University	B.M.	5	2	...	1	1	...	...	5	14	...	1,817,136,977
University	C.B.C.	2	1	...	6	...	...	...	1	10	...	1,814,321,400
University	B.M.	3	1	...	2	...	...	...	2	3	11	1,783,646,571
University	R.B.C.	2	...	...	...	...	2	3	10	17	...	1,737,976,072
High School	R.B.C.	2	...	1	1	...	...	...	...	4	...	1,652,369,205
High School	B.M.	2	1	...	6	...	...	1	2	14	...	1,639,093,155
University	R.B.C.	2	...	2	...	...	...	...	6	10	...	1,637,917,637
University	C.B.C.	2	2	...	15	...	...	...	...	19	...	1,601,784,734
University	I.B.C.	2	2	1	...	...	...	...	2	8	...	1,536,238,127
University	B.C.N.	1	...	1	...	...	...	...	1	3	...	1,524,991,633
University	B.T.	2	1	1	...	...	2	...	4	10	...	1,513,764,717
Elementary	B.M.	2	1	1	...	1	1	6	...	1,502,226,071
High School	R.B.C.	2	...	...	...	2	...	...	...	4	...	1,591,323,426
College	...	2	8	1	...	...	...	...	...	11	...	1,442,911,798
High School	C.B.C.	4	1	...	4	3	...	...	...	12	...	1,467,943,546
University	B.M.	2	3	1	...	...	1	...	2	8	...	1,404,869,553
High School	B.M.	5	3	...	...	1	...	...	1	10	...	1,432,257,961
High School	B.M.	2	...	...	...	...	...	...	3	5	...	1,396,107,264
Elementary	C.B.C.	3	3	...	3	...	1	...	1	12	...	1,331,236,122	
?	B.M.	2	2	...	...	...	1	...	...	5	...	1,396,107,254
University	C.B.C.	1	...	...	7	...	...	...	...	8	...	1,271,713,237
University	C.B.C.	7	6	4	1	3	2	23	...	1,261,118,677
Elementary	R.B.C.	2	4	8	...	1	1	16	...	1,180,091,385
University	B.N.S.	2	1	...	...	...	...	...	3	6	...	1,143,394,549
Military School	...	5	...	1	4	4	...	...	3	17	...	1,109,024,101
University	C.B.C.	6	6	...	...	...	...	...	1	12	...	1,105,802,323
University	R.B.C.	2	...	...	...	1	...	1	2	6	...	1,101,769,468
University	?	2	3	...	4	1	...	2	...	1	11	...	1,070,330,910
?	R.B.C.	1	...	...	1	...	...	2	...	4	...	1,021,270,678
University	R.B.C.	2	...	...	...	...	...	...	5	7	...	1,004,669,031

CHAPTER 3.

Canada's Milking Machine

IN the previous chapters we have tabulated the "One Hundred Largest Corporations in Canada" and "Canada's Fifty Big Shots". On pages 30-31 we present a chart which graphically represents the manner in which these fifty "Big Shots" control the "Hundred Largest Corporations in Canada" and many other additional companies. This chart does not show all the companies controlled by these fifty men, nor is it confined merely to the one hundred largest companies. We have, however, endeavored to bring out the fact that these fifty men and the banks which they represent, control practically every field of production, communication, distribution, finance, insurance and amusement in Canada.

We have used the figure of a cow to symbolize each corporation. From each cow there runs a pipe line to the final beneficiaries who control our banking and credit system in the form of our chartered banks. These we have symbolized by picturing them as milk cans; big cans for the "Big Three", the Bank of Montreal, the Royal Bank of Canada and the Canadian Bank of Commerce; and little cans for the smaller fry, the Bank of Toronto, Bank of Nova Scotia, Imperial Bank of Canada, Banque Canadien Nationale and Dominion Bank.

There is one pipe line for each of the fifty "Big Shots", and the "milk" from these fifty pipe lines is made to run into the various containers, the chartered banks. Fifteen of them run into the Royal Bank of Canada can, ten run into the Canadian Bank of Commerce can, and sixteen run into the Bank of Montreal can. When we first started drawing this chart there were only fifteen running into the Bank of Montreal can, but since then the Bank of Montreal has roped in Mr. C. F. Sise, one of the four lone mavericks who were not connected as yet with any chartered bank, so we have diverted this additional pipe into the Bank of Montreal can. Two run into the Bank of Toronto can and one each into each of the cans allotted to the Bank of Nova Scotia, Imperial Bank of Canada, Dominion Bank and Banque Canadien Nationale. This leaves three "Big Shots" not directly connected with the chartered banks as yet, but there is still hope for them, and it is quite possible that before the year is out they will have been taken in by some of the banks and given seats at the Directors' table.

The chart as a whole could well be entitled "How Canada Is Milked." The milk producing apparatus of the cow was never intended to operate for the benefit of the Dairy Corporations. Before the breeder got to work on it, no cow that ever lived was ever intended to give milk for three hundred or more days a year or produce 25,000 pounds of milk a year. The cow produced its milk for the sole purpose of feeding its calf. We have bred cows so that they are now perambulating milk factories. Most of the feed supplied to the cow by the farmer goes to produce milk and not to put any flesh or fat on the cow. The farmer feeds the cow, takes care of it, acts as personal valet to it; the cow digests the food supplied and turns it into butter-fat, but neither the cow nor the farmer gets any benefit from the milk. The profit goes to the Dairy Corporation. Even the calf gets none of the butter-fat produced by the cow. All it gets is skim milk.

This situation closely resembles our present economic system. Our corporations have become wonderfully efficient producers. The workers feed them and milk them but get nothing but the skim milk if anything. The butter-fat goes to those directors who control the milking system and the chartered banks. But just as the pipe lines or milk cans cannot be blamed, so cannot the directors or chartered banks be held primarily responsible. Behind the scenes there hums the electric motor or gasoline engine which works the pulsator which operates the entire milking machine. Without that motor and pulsator the milking machine would be useless. That motor and pulsator is the "Profit Motive" which is the heart of the Capitalist system.

WHO OWNS CANADA?

Examine the chart on pages 30-31. Trace the pipe-line named "Sir Herbert Holt" from the Royal Bank milk can right up to its various ramifications among the Public Utility, Steel & Iron, Insurance and Finance, Milling and Baking, Mining and Amusement companies. Try the Sir Chas. Gordon pipe, the Sir John Aird pipe, the Miller Lash pipe or the Julian C. Smith pipe. We know it is rather complicated and Chinese-puzzle-like, but we cannot help it. That is just how these interlocking directorates are. Spend an evening over it. It may not be very amusing but it will certainly be educational, and you will begin to realize why these "Fifty Big Shots" and their companies do not care very much whether we have a Conservative or a Liberal Government, but they do not particularly relish the idea of a Socialist government in power pledged to change the economic system which makes their milking operations possible.

The following chapter will furnish detailed information concerning the interlocking directorates and the stranglehold which the chartered banks have upon the entire production and distribution system of the country. The chart however is sufficient in itself to prove that under the present economic system one cannot escape paying tribute to the "Big Fifty." They get you coming and going.

If you sleep in a Simmons bed you pay tribute to Huntley Drummond of the Bank of Montreal. You get up and dress in underwear made from cotton cloth, the product of the mills of Canadian Cottons Ltd., Montreal Cottons or Dominion Textiles, among whose directors are Sir Chas. Gordon and W. A. Black of the Bank of Montreal, and bearing perhaps the brand of Penmans Ltd., whose chairman is the same Sir Chas. Gordon. You shave with a Gillette razor (Sir Herbert Holt, Director), live in a house built of lumber, brick or cement concrete (Sir Herbert Holt, Col. Cockshutt, G. W. Allan, Directors) supplied with carpets or linoleums (Brinton-Peterboro Carpet Co. or Dominion Oilcloth and Linoleum Co.; Lieut. Col. Molson and Sir Chas. Gordon, Directors). Your coffee, waffles and bacon are made with products supplied by companies controlled by the "Fifty Big Shots." The car in which you ride, the tires it uses, the gasoline which drives it, the steel of which it is made, is controlled by the same "Big Fifty." The power which drives these factories, the electricity which lights them is under the same control. The bread you eat, the flour of which it is made, the sugar in your tea, the butter on the bread, the cheese and the cream and the strictly fresh egg which said good-bye to the farmer's hen almost six months ago are controlled by several of those who form the happy band we call the "Big Fifty." Your tobacco and cigars, yea, even the beer and whisky you drink, if you are inclined that way, are manufactured by companies controlled by the same old "Big Fifty." Nothing is too big, nothing is too small, nothing is beneath the dignity of these captains of industry.

If you travel by rail, by air or by water, if you telephone, telegraph or use the radio, you pay tribute to them. If your wife patronizes Holt, Renfrew & Co., Simpson's Ltd. or the Hudson's Bay Co., the Chain Store, the Mail Order House or the Ladies' Specialty Store, you cannot avoid them. The newspaper you read, the stationery you write on is made by the big Pulp and Paper Corporations controlled by these men. The farm implements the farmer uses and the twine are made by companies under the control of these "Fifty Big Shots." The Mortgage and Trust Companies, the Savings Banks and the Insurance Companies are controlled by the same men who control the big chartered banks, the same "Big Fifty" whose names are given in our tables; and when you get sick and tired of the treadmill of every day life and go to the movies, the hockey match at the Arena or the Maple Leaf Gardens in Toronto, you find that even these places of amusement are controlled by the same "Fifty Big Shots" and their companions on the directorates of the chartered banks. Talk of government regulation, of restricting interlocking directorates is futile. As long as we have the present economic system the concentration of all economic power in the hands of a few financial and industrial magnates is inevitable. If they were to go tomorrow, others would take their places. It is not the men, it is the system which is at fault.

Those Who Hold The Purse Strings

In connection with the chart on pages 30-31 showing the maze of interlocking directorates among Canadian corporations, we intend to devote several chapters to a discussion of the extent to which this interlocking and intertwining exists in several of the more important industrial and financial fields in Canada. In view of the evidence given recently at the sittings of the Banking and Finance Committee of the House of Commons, we shall devote this chapter specifically to the stranglehold which a comparatively small group of men sitting upon the Boards of Directors of our Chartered Banks have upon the entire credit apparatus of the country.

In actual practice although not in theory, the government of this country has delegated its rights and powers to issue, withdraw, expand and contract credit to the chartered banks, investment, trust and insurance companies, and in the following lists we give the names, gross assets and number of directors of all financial and insurance companies which have gross assets of at least ten million dollars each. We also give the names of all directors of those companies who are at the same time directors of any of the nine larger chartered banks. The names of those to whom we have already referred as the "Fifty Big Shots" are printed in heavier type.

First of all a few definitions are in order. By a "subsidiary corporation" we mean a corporation which is controlled by some other corporation through stock ownership. It may be a "wholly owned subsidiary", in which case the controlling corporation owns all the voting shares. It may be controlled through ownership of a majority of the outstanding shares. It may even be controlled by ownership of a minority though a substantial block of shares, provided that the rest of the shares are widely scattered among small shareholders. To say that two companies have "interlocking directorates" means that there are directors who sit on the boards of both companies. The more directors these two companies have in common, the more closely are their interests and management correlated, for it stands to reason that unless these interlocking directors are blind, deaf and "dumb" in more senses than one, they will take care that their activities on one board of directors will help and not hinder their activities on the other board.

The directors of the chartered banks, giving evidence before the Banking and Commerce Committee have assured us that interlocking directorates are purely a matter of fortunate coincidence, and that such directors do not allow their interests in one company to affect their attitude on the board of the other company. In fact we are told, these companies blessed with interlocking directorates simply love to compete with each other. It is left to the public to "believe it or not".

The corporations listed have a total of 547 directorates, of which 305 or 55.75% are held by 159 men; of which 157 are chartered bank directors. Whether the corporations listed are a fair sample can easily be seen from the following comparative table which shows that they include nine of the ten chartered banks and account for 92.4% of the gross assets of all Canadian trust and loan companies, 90.7% of the gross assets of all Canadian life insurance companies and 94.9% of the gross assets of all banking, financial and insurance companies in Canada. In other words, 159 men, of whom all but two are directors of the nine Canadian chartered banks, control financial corporations with 94.9% of the gross assets of all such corporations in Canada. It is therefore quite fair to state that the banks, mortgage and trust companies, investment corporations and insurance companies included in the list given in this chapter are so closely allied by credit monopoly.

WHO OWNS CANADA?

**Total Gross Assets of
Companies Listed**

Chartered Banks	\$2,846,331,564
Trust and Loan Companies	2,427,161,486
Life Insurance Companies	1,579,354,704
<hr/>	
Total	<u>\$6,851,840,764</u>

**Total Gross Assets of All
Financial Companies**

Chartered Banks	\$2,852,080,013
Trust and Loan Companies	2,621,641,319
Life Insurance Companies	1,711,272,670
<hr/>	
Total	<u>\$7,218,000,802</u>

CHARTERED BANKS

**1. BANK OF MONTREAL (B.M.) Gross Assets \$752,033,788.
(18 Directors)**

Directors:

Sir Chas. Gordon
H. R. Drummond
E. W. Beatty
F. E. Meredith
J. W. McConnell
Wm. A. Black

Maj.-Gen. Hon. S. C. Mewburn
D. Forbes Angus
Lieut.-Col. Herbert Molson
Col. Hon. H. Cockshutt
Hon. Thos. Ahearn
Sir Fk. Williams Taylor

Harold Kennedy
A. O. Dawson
Ross McMaster
C. F. Sise
Wm. Norman Tilley
Hon. Pat. Burns

**2. ROYAL BANK OF CANADA (R.B.C.) Gross Assets \$726,641,027.
(25 Directors)**

Directors:

Sir Herbert Holt
Hon. A. J. Brown
M. W. Wilson
G. H. Duggan
Robert Adair
Julian C. Smith
Wm. F. Angus
P. F. Sise

A. E. Dymant
C. B. McNaught
G. Harrison Smith
W. H. McWilliams
W. J. Blake Wilson
C. S. Wilcox
Hugh Paton
W. J. Sheppard
W. H. Malkin

J. S. Norris
Stephen Haas
Hon. Wm. A. Black
Capt. Wm. Robinson
A. McT. Campbell
R. T. Riley
G. McGregor Mitchell
J. McG. Stewart

**3. CANADIAN BANK OF COMMERCE (C.B.C.) Gross Assets
\$562,552,081.8 (34 Directors)**

Directors:

Sir John Aird
G. W. Allan
H. C. Cox
Col. W. Gow
Miller Lash
Jas. A. Richardson
Lord Shaughnessy
A. F. White
Sir Thos. White
E. R. Wood
G. A. Morrow
T. A. Russell

H. S. Ambrose
A. R. Auld
J. B. Blackell
C. W. Colby
F. W. Cowan
G. C. Edwards
Sir J. Flavelle
Senator D. Raymond
John Stuart
A. V. Young
H. J. Fuller

W. W. Hutchison
F. P. Jones
A. M. Kirkpatrick
S. H. Logan
Sir A. Mackenzie
H. R. MacMillan
J. S. McLean
W. E. Phin
W. P. Riley
T. H. Wood
I. Pitblado

**4. BANK OF NOVA SCOTIA (B.N.S.) Gross Assets \$265,084,712.
(19 Directors)**

Directors:

Wm. M. Birks
R. Blackburn
Hon. George Bryson
A. L. Ellsworth
J. B. Fraser
J. F. Fraser
Hon. J. C. Tory

Hon. George Gordon
Alex. McLaren
Leighton McCarthy
Hon. F. B. McCurdy
Hector McInnes
J. A. McLeod

S. J. Moore
Hon. W. D. Ross
O. E. Smith
S. T. Smith
F. P. Starr
W. W. White

WHO OWNS CANADA?

5. BANK OF TORONTO (B.T.) Gross Assets \$109,416,518. (16 Directors)

Directors:		
Col. A. E. Gooderham	Brig. Gen. F. S. Meighen	T. F. How
W. G. Gooderham	P. J. Myler	F. K. Morrow
John R. Lamb	A. H. Campbell	H. B. Henwood
Wm. Stone	John L. McFarland	J. D. Woods
Col. Wm. L. Gear	Hon. Jas. D. Chaplin, M.P.	George Kidd
Aubrey Davis		

6. BANQUE PROVINCIALE DU CANADA (P.B.) Gross Assets \$46,515,149. (9 Directors)

Directors:		
S. J. B. Rolland	H. Gerin Lajoie	Alphonse Raymond
Oscar Dufresne	J. Strois	L. J. Coderre
Chas. A. Roy	Alfred Lambert	Geo. A. Savoy

7. BANQUE CANADIENNE NATIONALE (B.C.N.) Gross Assets \$132,751,867. (11 Directors)

Directors:		
Senator J. M. Wilson	Armand Chaput	A. N. Drolet
Sir George Garneau	J. H. Fortier	C. E. Gravel
Beaupré Leman	Chas. Laurendeau	L. G. Ryan
Senator C. P. Beaubien	Senator D. O. L'Espérance	

8. DOMINION BANK (D.B.) Gross Assets \$122,917,038. (13 Directors)

Directors:		
R. S. McLaughlin	R. Y. Eaton	A. C. Matthews
A. W. Austin	R. J. Gourlay	W. W. Near
C. A. Bogert	E. W. Hamber	F. Gordon Oster
C. H. Carlisle	J. M. Mackie	J. A. Ross
H. H. Williams		

9. IMPERIAL BANK OF CANADA (I.B.C.) Gross Assets \$127,422,384. (12 Directors)

Directors:		
F. A. Rolph	J. W. Hobbs	G. H. Atkins
Col. J. F. Michie	W. C. Laidlaw	H. E. Sellers
R. S. Wadie	J. A. Northway	R. O. McCulloch
C. C. Heintzman	A. E. Phipps	W. B. Woods

FINANCIAL CORPORATIONS

10. ROYAL TRUST CO. Gross Assets \$657,261,375. (25 Directors)

Bank Directors:				
Sir Chas. Gordon	B.M.	C. F. Sise	B.M.	Sir Fk. Williams
H. R. Drummond	B.M.	Hon. Thos. Ahern	B.M.	Taylor
D. F. Angus	B.M.	Hon. Henry Cockshutt	B.M.	Ross McMaster
E. W. Beatty	B.M.	Maj. Gen. Mewburn	B.M.	Lieut. Col. Molson
Wm. A. Black	B.M.	Wm. Norman Tilley	B.M.	F. E. Meredith
J. W. McConnell	B.M.			

11. MONTREAL TRUST CO. Gross Assets \$825,810,506. (24 Directors)

Bank Directors:				
Sir Herbert Holt	R.B.C.	Julian C. Smith	R.B.C.	C. H. Carlisle
Senator A. J. Brown	R.B.C.	Morris W. Wilson	R.B.C.	C. B. McNaught
Robert Adair	R.B.C.	P. F. Sise	R.B.C.	A. D. MacTier
G. H. Duggan	R.B.C.	W. F. Angus	R.B.C.	J. S. Norris
A. E. Dymant	R.B.C.			R.B.C.

WHO OWNS CANADA?

12. NATIONAL TRUST CO. Gross Assets \$274,497,075. (34 Directors)

Bank Directors:

Sir John Aird	C.B.C.	C. S. Wilcox	R.B.C.	H. J. Fuller	C.B.C.
H. C. Cox	C.B.C.	W. H. McWilliams	R.B.C.	G. W. Allan	C.B.C.
E. R. Wood	C.B.C.	A. McT. Campbell	R.B.C.	Sir Joseph Flavelle	C.B.C.
Miller Lash	C.B.C.	Wm. Mussey Birks	B.N.S.	G. A. Morrow	C.B.C.
Rt.Hon. Sir T. White	C.B.C.	Leighton McCarthy	B.N.S.	J. A. McLeod	B.N.S.
Jas. A. Richardson	C.B.C.				

13. EASTERN TRUST CO. Gross Assets \$49,278,792. (24 Directors)

Bank Directors:

F. P. Starr	B.N.S.	Hon. J. C. Tory	B.N.S.	J. McGregor Stewart	R.B.C.
E. B. McCurdy	B.N.S.	Hon. Wm. A. Black	R.B.C.	W. W. White	B.N.S.
O. E. Smith	B.N.S.				

14. CANADA PERMANENT TRUST CO. Gross Assets \$45,274.754.

(10 Directors)

Bank Directors:

Col. A. E. Gooderham	B.T.	G. Harrison Smith	R.B.C.	Wm. Stone	B.T.
W. G. Gooderham	B.T.	G. W. Allan	C.B.C.	F. G. Osler	D.B.

15. CROWN TRUST CO. Gross Assets \$24,855,155. (14 Directors)

Bank Directors:

W. I. Gear	B.T.	H. B. Henwood	B.T.
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16. TRUST GENERALE DU CANADA. Gross Assets \$35,867,712.

(18 Directors)

Bank Directors:

A. N. Drolet	B.C.N.	Hon. D.L'Esperance	B.C.N.	L. S. Ryan	B.C.N.
Sir George Garneau	B.C.N.	Hon. J. M. Wilson	B.C.N.	Beaudry Leman	B.C.N.
Chas. Laurendeau	B.C.N.				

17. NORTHERN TRUST CO. Gross Assets \$18,944,787. (15 Directors)

Bank Directors:

R. T. Riley	R.B.C.	G. W. Allan	C.B.C.	R. J. Gourlay	D.B.
W. H. Malkin	R.B.C.	John Stuart	C.B.C.	S. T. Smith	B.N.S.

18. ADMINISTRATION & TRUST SOCIETY. Gross Assets \$30,448,716.

(15 Directors)

Bank Directors:

S. J. B. Rolland	P.B.	Alphonse Raymond	P.B.	Chas. A. Roy	P.B.
Joseph Sirois	P.B.				

19. CANADA PERMANENT MORTGAGE CO. Gross Assets \$70,772,222.

(10 Directors)

Bank Directors:

Col. A. E. Gooderham	B.T.	G. Harrison Smith	R.B.C.	Wm. Stone	B.T.
W. G. Gooderham	B.T.	G. Wm. Allan	C.B.C.	F. G. Osler	D.B.

20. MONTREAL CITY & DISTRICT SAVINGS BANK. Gross Assets

\$60,907,629. (10 Directors)

Bank Directors:

Senator J. J. Brown	R.B.C.	Lieut. Col. H. Molson	B.M.
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WHO OWNS CANADA?

21. TORONTO GENERAL TRUSTS CORPORATION. Gross Assets \$224,047,048. (23 Directors)

Bank Directors:

T. A. Russell	C.B.C.	Russell Blackburn	B.N.S.	A. E. Phipps	I.B.C.
I. Pitblado	C.B.C.	Alex. McLaren	B.N.S.	A. C. Matthews	D.B.
W. P. Riley	C.B.C.	S. J. Moore	B.N.S.	J. H. Williams	D.B.
A. H. Campbell	B.T.	Col. J. F. Michie	I.B.C.	W. W. Near	D.B.
Paul J. Myler	B.T.				

22. HURON & ERIE MORTGAGE CORPORATION. Gross Assets \$47,028,715. (9 Directors)

Subsidiary: CANADA TRUST CO.

Bank Directors: Maj. Gen. S. C. Mewburn B.M.

23. CHARTERED TRUST & EXECUTOR CO. Gross Assets \$23,770,253. (13 Directors)

Bank Directors: A. L. Ellsworth B.N.S.

24. HYDRO ELECTRIC BOND & SHARE CO. Gross Assets \$27,772,299. (6 Directors)

Bank Directors: Sir Herbert Holt R.B.C. J. S. Norris R.B.C.

25. LONDON CANADIAN INVESTMENT CORPORATION . Gross Assets \$10,614,448. (8 Directors)

Bank Directors: Sir Herbert Holt R.B.C. Julian C. Smith R.B.C.

INSURANCE COMPANIES

26. SUN LIFE ASSURANCE CO. OF CANADA. Gross Assets \$624,146,035. (18 Directors)

Bank Directors:

Sir Herbert Holt	R.B.C.	Wm. M. Birks	B.N.S.	Ross McMaster	B.M.
C. B. McNaught	R.B.C.	E. W. Beatty	B.M.	Sir Chas. Gordon	B.M.
Robert Adair	R.B.C.	J. W. McConnell	B.M.	Maj. Gen. Mewburn	B.M.

27. CANADA LIFE ASSURANCE CO. Gross Assets \$226,842,892. (15 Directors)

Bank Directors:

H. C. Cox	C.B.C.	Rt.Hon. Sir T. White	C.B.C.	Leighton McCarthy	B.N.S.
E. R. Wood	C.B.C.	John Stuart	C.B.C.	J. A. McLeod	B.N.S.
W. N. Tilley	B.M.				

28. MUTUAL LIFE ASSURANCE CO. Gross Assets \$138,913,984. (15 Directors)

Bank Directors:

Maj. Gen. Mewburn	B.M.	T. A. Russell	C.B.C.	I. Pitblado	C.B.C.
C. F. Sise	B.M.				

29. GREAT WEST LIFE ASSURANCE CO. Gross Assets \$134,763,165. (12 Directors)

Bank Directors:

Jas. A. Richardson	C.B.C.	W. P. Riley	C.B.C.	W. H. McWilliams	R.B.C.
G. W. Allan	C.B.C.	A. T. Riley	R.B.C.		

WHO OWNS CANADA?

30. MANUFACTURERS LIFE ASSURANCE CO. Gross Assets
\$119,459,942. (9 Directors)

Bank Directors:

W. G. Gooderham	B.T.	Wm. Stone	B.T.	F. G. Osler	D.B.
H. B. Henwood	B.T.				

31. CONFEDERATION LIFE ASSURANCE CO. Gross Assets \$94,205,166.
(12 Directors)

Bank Directors:

A. F. White	C.B.C.	R. S. Walde	I.B.C.	W. C. Laidlaw	I.B.C.
J. S. McLean	C.B.C.	Col. J. F. Michie	I.B.C.	A. C. Matthews	D.B.

32. IMPERIAL LIFE ASSURANCE CO. Gross Assets \$68,573,416.
(15 Directors)

Bank Directors:

G. A. Morrow	C.B.C.	Hon. D. Raymond	C.B.C.	Sir Herbert Holt	R.B.C.
Sir J. Aird	C.B.C.	S. J. Moore	B.N.S.	Senator P. Burns	B.M.
J. P. Bickell	C.B.C.				

33. NORTH AMERICAN LIFE ASSURANCE CO. Gross Assets
\$46,758,032. (14 Directors)

Bank Directors:

Hector McInnes	B.N.S.	F. A. Rolph	I.B.C.
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34. CROWN LIFE INSURANCE CO. Gross Assets \$18,893,082.
(12 Directors)

Bank Directors:

Sir R. L. Borden	B.B.	Grant Hall
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35. STANDARD LIFE ASSURANCE CO. Gross Assets \$106,800,000.
(10 Directors)

Bank Directors:

Sir Chas. Gordon	B.M.	F. E. Meredith	B.M.	D. Forbes Angus	B.M.
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CHAPTER 5.

Big Steel and Iron Men

IRON AND STEEL PRODUCTS

THE manufacture of iron and steel products is the very skeleton of the productive machinery of the modern industrial era. There is not a branch of industry, whether in agriculture, transportation, the construction trades, power production, mining, textiles, or any other manufacturing field, which is not dependent upon it. It includes the manufacture of agricultural implements; automobiles and bicycles; boilers, tanks and enginés; bridge and structural steel work; castings and forging of all kinds; hardware and tools; machinery; railways, rolling stock; sheet metal products, and wire and wire goods.

According to the statistics of the 1931 Dominion Census this branch of industry comes third in rank among all industries in Canada so far as total capital invested is concerned, being exceeded only by the Power and Wood and Paper Industries. It comes third in number of employees, second in amount of salaries and wages paid, fourth in cost of raw materials used, and third in net value of products manufactured. More detailed figures are given in the following table compiled from statistics furnished by the Canada Year Book.

	Central Power Stations	Wood & Paper	Iron & Steel Products	Vegetable Products Manu- facturers	Animal Products Manu- facturers
No. of Employees	17,011	121,672	96,927	77,706	51,297
Salaries and Wages	\$ 26,000,000	\$ 140,000,000	\$ 121,000,000	\$ 79,000,000	\$ 51,000,000
Cost of Raw Materials	192,000,000	171,000,000	261,000,000	215,000,000	
Gr. Value of Products	122,000,000	481,000,000	375,000,000	635,000,000	320,000,000
Capital	\$ 1,230,000,000	1,053,000,000	676,000,000	\$ 15,000,000	217,000,000

Now let us turn to the evidence which we have dug out of the "Financial Post Survey of Corporate Securities" and the "Canada Directory of Directorates." Who controls this vastly important industry? Further on in this chapter will be found a list of eleven corporations engaged in the iron and steel industry in Canada, some of these having as much as \$58,000,000 in assets. None have gross assets less than \$10,000,000. All come within the hundred largest corporations in Canada which we listed in the first article in this series. The gross assets total \$315,957,388. The capital invested in them totals approximately \$301,000,000.

Look through these eleven corporations and you find that in every case they have a string of subsidiary corporations tagging along. Some have as many as fourteen subsidiary companies. Some have fewer, but none have less than three. In all, these eleven corporations own or control 82 subsidiary corporations.

Now let us take a glance at the directorates of these eleven controlling corporations. The number of directorates totals 105. Out of these 105 directorates, 38 directorates, or more than 36 percent, are held by 27 men, everyone of whom is a director of one of seven Canadian chartered banks. Of these 27 bank directors who are "Big Iron and Steel Men," six are also directors of the Canadian Pacific Railway.

Let us summarize this information, which is absolutely authentic and can easily be verified. 93 steel and iron corporations boil down to 11 controlling corporations with 105 directorates.

WHO OWNS CANADA?

These boil down to 38 directorates held by 27 directors of 7 chartered banks, of which 19 are among Canada's "Fifty Big Shots."

The "Big Six Iron and Steel Men," who have quite a few irons in other fires by the way, are Sir Herbert Holt (30 companies), C. B. McNaught (30 companies), Senator C. P. Beaubien (23 companies), G. H. Duggan (22 companies), Senator A. J. Brown (22 companies) and Ross McMaster (22 companies).

We occasionally hear of "free competition," "competitive tenders," "intense rivalry." What chances are there of real competitive tenders between the Steel Company of Canada and the Dominion Bridge Company, or between any two of the fourteen subsidiaries of the Dominion Bridge Company, or of the Canadian Car and Foundry Company Limited?

When the Canadian Pacific Railway Company is on the market to buy steel rails, locomotives, rolling stock, motor trucks, coal, construction steel, boiler tubes, or hoists and steel shovels, there are men who not only sit upon its board but also upon the boards of the companies from which it buys these products.

The set-up of the corporations is like a vast rabbit warren—many holes, but they all lead to one nest; but when you track it down the animal is far from being a rabbit. It is quite handsome and striped and has a powerful means of defending itself.

IRON & STEEL CORPORATIONS

(1) STEEL CO. OF CANADA LTD. Gross Assets \$58,657,637. (11 Directors).

Subsidiaries:

Montreal Rolling Mills Ltd.
Canada Bolt & Nut Co. Ltd.
Hamilton Steel & Iron Co.

Canada Screw Co. Ltd.
Dominion Wire Mfg. Co. Ltd.
Western Wire Nail Co. Ltd.

Bank Directors:

G. H. Duggan R.B.C. Frances G. Osler D.B. Ross McMaster B.M.
Senator A. J. Brown R.B.C. Rt. Hon. Sir T. White C.B.C. Maj. Gen. Mewburn B.M.
Chas. S. Wifcox R.B.C.

(2) DOMINION STEEL & COAL CO. LTD. Gross Assets \$18,271,334 (16 Directors).

Subsidiaries:

Nova Scotia Steel & Coal Co.
Cumberland Ry. and Coal Co.
Peck Rolling Mills Ltd.
Dominion Shipping Co. Ltd.
Sydney & Louisburg Ry. Co.
Nova Scotia Land Co. Ltd.
Dominion Coal Co. Ltd.

Wards Steamship Co. Ltd.
Halifax Shipyards Ltd.
Jas. Pender & Co. Ltd.
Sydney Lumber Co. Ltd.
Seaboard Power Co. Ltd.
Eastern Car Co. Ltd.
Acadia Coal Co. Ltd.

Bank Directors:

Sir Herbert Holt R.B.C. G. H. Duggan R.B.C. Sen. C. P. Beaubien B.C.N.
C. B. McNaught R.B.C. Sir Chas. B. Gordon B.M.

(3) GENERAL STEEL WARES LTD. Gross Assets \$16,374,387. (8 Directors).

Subsidiaries:

McClary Mfg. Co. Ltd.
Thos. Davidson Mfg. Co.
E. T. Wright Ltd.
McDonald Mfg. Co. Ltd.

McLaughlin Fletcher Soda Fountains
Ltd.
A. Aubry & Fils Ltd.
Happy Thought Foundry Co. Ltd.
Sheet Metal Products of Can. Ltd.

Bank Directors: Hon. Donat Raymond C.B.C.

WHO OWNS CANADA?

(4) DOMINION BRIDGE CO. LTD. Gross Assets \$21,865,497. (18 Directors).

Subsidiaries:

Donalton Welding & Engineering Company.	Donalton Hoist & Shovel Co.
Canadian Tillsoll Farm Motors Limited.	National Bridge Co. of Canada Ltd.
McGregor McIntyre Iron Works Limited.	Manitoba Steel & Iron Co.
Chas. Walmsley & Co. (Canada) Limited.	Manitoba Rolling Mills Co.
Manitoba Bridge & Iron Works.	Robb Engineering Works Ltd.

Bank Directors:

Sir Herbert Holt	R.B.C.	Paul F. Sise	R.B.C.	J. W. McConnell	B.M.
Wm. F. Angus	R.B.C.	W. J. Blake Wilson	R.B.C.	C. B. McNaught	R.B.C.
Julian C. Smith	R.B.C.	Senator Pat. Burns	B.M.	G. H. Duggan	R.B.C.
Senator A. J. Brown	R.B.C.	Ross McMaster	B.M.	C. H. Carlisle	D.B.

(5) CANADIAN CAR & FOUNDRY CO. LTD. Gross Assets \$20,496,421. (9 Directors).

Subsidiaries:

Canadian Steel Foundries, Ltd.	Tureot Works Ltd.
Canadian General Transit Co.	Amherst Car Works Ltd.
Pratt & Letchworth Co. Ltd.	Fort William Car Works Ltd.
Donalton Car Works Ltd.	

Bank Directors:

Wm. F. Angus	R.B.C.	Sen. C. P. Beaubien, B.C.N.
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(6) PAGE HERSEY TUBES LTD. Gross Assets \$10,862,311. (8 Directors).

Subsidiaries:

Cohoes Rolling Mill Co.	Mohawk Conduit Co. Inc.
Page Hersey Export Co.	National Tube Co.
Page Hersey Trading Co.	

Bank Directors: W. W. Near

D.B.

(7) ALGOMA CONSOLIDATED CORP. LTD. Gross Assets \$16,645,731. (12 Directors).

Subsidiaries:

Algoma Central Terminals Ltd.	Superior Rolling Stock Co. Ltd.
Algoma Central & Hudson Bay Ry.	Algoma Steel Corporation Ltd.
Cannelton Coal & Coke Co. Ltd.	Lake Superior Corporation.

(8) MASSEY HARRIS CO. LTD. Gross Assets \$15,271,432. (13 Directors).

Subsidiaries:

Massey Harris Co., U.S.A.	H. V. Mackay Massey Harris Proprietary Ltd. (Australia).
Ciò Massie Harris (France).	
Bank Directors:	

E. R. Wood	C.B.C.	T. A. Russell	C.B.C.	F. K. Morrow	B.I.
G. W. Albin	C.B.C.	F. P. Jones	C.B.C.		

(9) COCKSHUTT PLOW CO. LTD. Gross Assets \$15,222,023. (5 Directors).

Subsidiaries:

Frost & Wood Ltd.	Canada Carriage & Body Ltd.
Bank Directors:	

Col. H. Cockshutt	B.M.	J. H. Fortier	B.C.N.
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(10) SERVICE STATIONS LTD. Gross Assets \$15,710,618. (5 Directors).

Subsidiaries:

Service Station Equip. Co. Ltd.	Fess Oil Burners of Canada.
Service Station Equipment Co. of Massachusetts.	Tennants Steel Containers Ltd.
Canadian Johns Wood Mfg. Co.	Bennet Pumps Corp.
Service Station Equipment Co. of Pennsylvania.	Metalwares Corp.
Bank Director: A. L. Ellsworth	Rheem Mfg. Co. Ltd.
	Ferolite Engineering Works Ltd.

WHO OWNS CANADA?

(11) GENERAL MOTORS OF CANADA LTD. Gross Assets \$36,500,000 (Estimated).

Subsidiaries:

Cadillac Motor Car Co. of Canada. General Motors Products of Canada.
Chevrolet Motor Co. of Canada. Olds Motor Works of Canada.
McLaughlin Motor Car Co. Oakland Motor Car Co. of Canada.

Bank Directors. Robert S. McLaughlin D.B.

ELECTRICAL APPARATUS AND SUPPLIES

Corporations manufacturing electrical apparatus and supplies in Canada have a total capital of \$102,979,896 according to the statistics of the 1931 Dominion Census. They employed 20,568 salary and wage earners who received \$26,260,004, the cost of materials used by the industry was \$43,111,629, and the gross value of products manufactured was \$104,577,790.

There are three corporations manufacturing electrical supplies in Canada which have assets exceeding \$10,000,000 each, all of which are controlled by parent corporations in the United States. These three corporations are the Canadian General Electric Co. Ltd., Canadian Westinghouse Co. Ltd., and Northern Electric Co. Ltd. The Northern Electric Co. is a subsidiary of the Bell Telephone Co. of Canada, which in turn is a subsidiary of the American Telegraph and Telephone Co. These three corporations account for the major portion of electrical supplies manufactured in Canada. We confine ourselves in this article mainly to the Canadian General Electric Co. Ltd., and Canadian Westinghouse, for which statistics are available. These two corporations alone have capital totalling \$53,452,762, or 51.9% of the total capital in the industry.

In the case of the Canadian General Electric Co., nine out of fourteen directors are bank directors, with the Royal Bank of Canada leading the list with five and two each for the Canadian Bank of Commerce and the Bank of Nova Scotia. Two out of the ten directors in Canadian Westinghouse are bank directors. Of the eleven bank directors on the boards of these two corporations, six are of the select group of "Canada's Fifty Big Shots" and three are also directors of the C.P.R. To fill the cup to the brim, we have C. B. McNaught of the Royal Bank of Canada on the board of Kelvinator Co. of Canada, Paul F. Sise of the Royal Bank of Canada on the board of Amalgamated Electric Corporation Ltd., and J. W. McConnell of the Bank of Montreal and Julian C. Smith of the Royal Bank of Canada, on the board of Claude Neon Light Co. of Canada.

CANADIAN GENERAL ELECTRIC CO. LTD. Gross Assets \$39,958,306. (14 Directors).

Subsidiaries:

Edison Lamp Works.

Canadian Allis Chalmers Ltd.
Architectural Bronze & Iron Works.

Bank Directors:

Sir Herbert Holt	R.B.C.	W. J. Blake Wilson	R.B.C.	H. C. Cox	C.B.C.
A. E. Dymant	R.B.C.	Stephen Haas	R.B.C.	Hon. W. D. Ross	B.N.S.
Julian C. Smith	R.B.C.	Jas. A. Richardson	C.B.C.	F. B. McCurdy	B.N.S.

CANADIAN WESTINGHOUSE CO. LTD. Gross Assets \$18,751,440. (10 Directors).

Subsidiaries:

Westinghouse Airbrake Co.

Westinghouse Electric Mfg. Co.

Westinghouse Mfg. Co.

Bank Directors:

Hon. Thos. Ahearn B.M. Paul F. Myler B.T.

N.B.—Directors in heavy type are among Canada's "Fifty Big Shots".

B.M. = Bank of Montreal.

C.B.C. = Canadian Bank of Commerce.

R.B.C. = Royal Bank of Canada.

B.T. = Bank of Toronto.

B.N.S. = Bank of Nova Scotia.

B.C.N. = Banque Canadien Nationale.

D.B. = Dominion Bank.

CHAPTER 6.

The Three P's--Power, Pulp & Paper

ONE of the greatest factors in modern industrial development has been the application of electricity as a source of power in the fields of industry, mining and transportation. In its effect upon labor and methods of production it may well be said to have brought about a second Industrial Revolution. The first Industrial Revolution witnessed the introduction of the Machine Age. This second Industrial Revolution has witnessed the introduction of the Power Age. While the source of electric power production may be the steam or oil plant or the hydro-electric turbine, it is the latter that has proved the most efficient and economical large scale producer. Abundant water power as a factor in industry has again regained the place which it lost with the introduction of the coal burning steam engine. Those who control the power resources of a country have gone far towards controlling all power in a wider sense.

Canada, with its immense water power resources, has led the way in the production and utilization of electric power. The average consumption of electric power per capita in Canada for all purposes (excluding exports) is 1450 Kilowatts, and is more than twice the average consumption per capita in the United States and more than seven times the average per capita consumption in Great Britain. Hydro electric power accounts for 95% of all electric power produced in Canada.

Let us therefore see how far "trustification", concentration of control, and interlocking, with the chartered banks has gone in these fields. We shall turn our attention to the Power Corporations first, and further on in this article will be found a list of power corporations, none of which has assets less than \$10,000,000. In all, 77 companies are listed, some with assets as high as \$176,000,000. These 77 companies, on further examination, boil down to eight controlling corporations, which own these 77 companies outright or control a majority of the stock. If we exclude the Ontario Hydro Electric Power Commission, with gross assets of \$373,000,000, we find that these eight big private power corporations account for 77% of all the remaining capital invested in the power industry in Canada.

These eight power corporations have seventy directorates, of which twenty-nine, or more than 41%, are held by twenty-three directors of Canadian chartered banks, of which eleven are among "Canada's 50 Big Shots". Directors of the Royal Bank of Canada seem to have a particular weakness for directorates on Power Corporations, or shall we say that the Royal Bank of Canada has a more than ordinary liking for Power Corporation directors upon its own Board of Directors, since 13 of the 23 bank directors who are also directors of Power Corporations are on the Board of the Royal Bank of Canada.

This appetite for Power Corporations has become so acute that it cannot be appeased by a Canadian diet alone. There are four Canadian power corporations, which occupy themselves solely with power development in foreign countries. These four corporations are the Brazilian Traction, Light & Power Co., the Barcelona Traction, Light & Power Co., the Mexico Tramways Co., and the International Power Co. Ltd. These four corporations own and control forty-two companies which operate in 10 different countries, mainly Latin American. Twenty-one of the fifty-six directorates on these companies, or 37.5%, are held by 12 men who are also directors of Canadian chartered banks. Seven of these men who hold fifteen of these directorates come within the charmed circle of "Canada's Fifty Big Shots". Of these 21 directorates held by directors of Canadian chartered banks,

WHO OWNS CANADA?

fourteen or 66.6% are held by directors of the Canadian Bank of Commerce. Evidently the directors of the Canadian Bank of Commerce like their power corporations with a Latin American flavor, while the directors of the Royal Bank of Canada prefer to exploit the waters of Canada.

In addition to these four foreign power corporations in which Canadian chartered banks are interested, there is the Foreign Power Securities Corporation Ltd., a subsidiary of the Power Corporation of Canada Ltd., which is controlled by the Nesbitt Thomson interests. This company owns substantial interests in 77 hydro electric plants and 27 steam electric plants in France, with a total installed capacity of 557,800 H.P. and additional undeveloped capacity of 520,390 H.P., serving 5,055 communities with a population of over five million.

Thus the giant power corporations of Canada, closely intertwined with the larger Canadian chartered banks, control not only the major portion of Canada's power resources, but also the power supplies of Brazil's 41 million inhabitants, Mexico's sixteen and a half million people and the major portion of the urban population of northern and eastern Spain.

POWER CORPORATIONS

SHAWINIGAN WATER & POWER CO. Gross Assets \$176,270,686. (14 Directors).

Subsidiary Companies:

Beauharnois Electric Co. Ltd.		Shawinigan Engineering Co.
Shawinigan Falls Terminal Ry. Co.		Three Rivers Traction Co.
Shawinigan Stainless Steel & Alloys Ltd.		Shawinigan Ltd.
Gres Falls Development Co. Ltd.		Shawinigan Chemicals Ltd.
St. Maurice Construction Co.		Quebec Power Co.
Montreal Light, Heat & Power Consol.		Duke Price Power Co.
Shawinigan Products Corporation.		United Securities Ltd.
St. Maurice Power Corporation Ltd.		Niacet Chemicals Corp.

Bank Directors:

Sir Herbert Holt	R.B.C.	Lieut. Col. H. Molson B.M.	J. H. Fortier	B.C.N.
G. H. Duggan	R.B.C.	A. E. Dymont	R.B.C.	B.C.N.
Julian C. Smith	R.B.C.	Sen. De L'Esperance	B.C.N.	Col. J. H. Price

MONTREAL LIGHT, HEAT & POWER CONSOLIDATED. Gross Assets \$172,701,943. (12 Directors).

Subsidiary Companies:

Montreal Light, Heat & Power Co.		Temple Electric Co.
Mont. & St. Lawrence Light & Power Co.		Montreal Gas. Co.
Quebec New England Hydro Elec. Corp.		Royal Electric Co.
Provincial Light Heat & Power Co.		Montreal Island Power Co.
Lachine Rapids Hydraulic & Land Co.		United Securities Ltd.
Montreal Hydro Electric Co.		Montreal Tramways Ltd.
Citizens Light & Power Co. Ltd.		Montreal Street Ry. Co.
Cedar Rapids Mfg. & Power Co.		Provincial Transport Co.
MERCHANTS Light & Power Co.		Champlain Coach Lines Co.
Canadian Light & Power Co.		Frontier Coach Line Co.
Montreal Development & Land Co.		Montreal Terminal Ry. Co.
Montreal Coke & Mfg. Co.		Imperial Electric Light Co.
Montreal Park & Island Ry. Co.		Standard Light & Power Co.

Bank Directors:

Sir Herbert Holt	R.B.C.	Sir Chas. B. Gordon	B.M.	Sen. J. M. Wilson	B.C.N.
Julian C. Smith	R.B.C.	J. W. McConnell	B.M.	J. S. Norris	R.B.C.

BRITISH COLUMBIA POWER CORPORATION. Gross Assets \$145,228,251. (15 Directors).

Subsidiary Companies:

British Columbia Electric Ry. Co.		Western Power Co. of Canada Ltd.
National Utilities Corp. Ltd.		Columbia Estate Co. Ltd.

WHO OWNS CANADA?

Vancouver Fraser Valley & Southern
Ry. Co.
B.C. Electric Power & Gas Co.
B.C. Rapid Transit Co. Ltd.
Bridge River Power Co. Ltd.

Victoria Electric Co. Ltd.
Victoria Gas Co. Ltd.
Vancouver Power Co. Ltd.
Burrard Power Co. Ltd.
Vancouver Island Power Co.

Bank Directors:

W. J. Blake Wilson R.B.C. Sir Herbert Holt R.B.C. George Kidd B.T.

DUKE PRICE POWER CO. Gross Assets \$63,785,015. (9 Directors).

Subsidiary Companies:

Saguenay Transmission Co. Alpin & Jonquiere Railway Co.
Saguenay Elektric Co.

Bank Directors:

Julian C. Smith R.M.C. John H. Price Leighton McCarthy B.N.S.

BEAUBARNOIS POWER CORPORATION LTD. Gross Assets \$58,369,128. (11 Directors).

Subsidiary Companies:

Beaubarnois Light Heat & Power Co. Beauharnois Land Co.
Beaubarnois Transmission Co. Beauharnois Railway Co.
Beaubarnois Construction Co.

Bank Directors:

T. A. Russell C.B.C. J. S. Norris R.B.C. A. F. White C.B.C.
M. W. Wilson R.B.C.

CANADA NORTHERN POWER CORPORATION LTD. Gross Assets \$36,335,104.
(9 Directors).

Subsidiary Corporations:

Northern Quebec Power Co. Ltd. Northern Ontario Power Co. Ltd.

Bank Directors:

Maj. Gen. S. C. Mewburn B.M.

WEST KOOTENAY POWER & LIGHT CO. LTD. Gross Assets \$15,924,828. (7 Directors).

Subsidiary Companies:

South Kootenay Water Power Co. Rossland Water & Light Co.
Okanagan Water Power Co. Northport Power & Light Co.
Cascade Water Power & Light Co.

Bank Directors:

Lord Shaughnessy C.B.C. E. W. Bentty B.M.

OTTAWA LIGHT, HEAT & POWER CO. LTD. Gross Assets \$14,058,340. (9 Directors).

Subsidiary Companies:

Ottawa Gas Co. Ottawa Electric Co.

Bank Directors:

Sen. Thos. Ahearn B.M.

CANADIAN POWER COMPANIES OPERATING IN FOREIGN COUNTRIES

BRAZILIAN TRACTION LIGHT & POWER CO. LTD. Gross Assets \$383,999,239.
(14 Directors).

Subsidiary Companies:

Rio de Janeiro Tramways Light & Power Co.	Societe Anonyme du Gaz de Rio de Janeiro
Brazilian Telephone Co.	Corcovado Railway
Brasilianische Elektrizitäts Gesellschaft	Cia. de Telephonica do Estado de São Paulo
Cia. Rede Telephônica Bagantina	Cia. de Telephones Interstadionais
Interurban Telephone Co.	Companhia Norte de São Paulo
Brazilian Hydro Electric Co. Ltd.	City of Santos Improvements Co. Ltd.
São Paulo Tramway Light & Power Co.	

WHO OWNS CANADA?

Bank Directors:

Miller Lash	C.B.C.	Sir John Aldred	C.B.C.	E. R. Wood	C.B.C.
Walter Gow	C.B.C.	Hon. Sir T. White	C.B.C.	Sir Alex. Mackenzie	C.B.C.
J. W. McConnell	B.M.				

BARCELONA TRACTION LIGHT & POWER CO. Gross Assets \$121,795,986,

(16 Directors).

Subsidiary Companies:

Union Electrica de Cataluna	Carbones de Berga
Compania Barcelonesa de Electricidad	

Bank Directors:

Miller Lash	C.B.C.	Walter Gow	C.B.C.	C. D. Magee	B.B.
E. R. Wood	C.B.C.	Sir Thos. White	C.B.C.		

INTERNATIONAL POWER CO. LTD. Gross Assets \$38,353,976. (11 Directors).

Subsidiary Companies:

Porto Rico Power Co.	Oriente Electric Co.
Venezuela Power Co.	Tocuyo Electric Light Co.
Demerara Electric Co. Ltd.	Newfoundland Light & Power Co.
Porto Rico Railway, Light & Power Co.	San Salvador Electric Light Co.
Ouro Electric Light & Power Co.	Porto Rico Construction Co.
Bolivian Power Co.	

Bank Directors:

	John H. Price				
O. E. Smith	B.N.S.	G. McG. Mitchell	R.B.C.	Hon. W. D. Ross	B.N.S.

MEXICO TRAMWAYS CO. Gross Assets \$58,668,543. (16 Directors).

Subsidiary Companies:

Mexican Light & Power Co.	Mexican Steel & Chemical Co.
Pachuca Light & Power Co.	Mexico Tramways Ltd.
Compania de los Ferrocarriles del	Mexican Electric Light Co.
Distrito Federal de Mexico	Mexican Southern Power Co.
Compania de Omnibus de Mexico S.A.	Southwestern Power Co., Mexico
Toluca Electric Light & Power Co.	Alameda River Hydro Electric Co.

Bank Directors:

Miller Lash	C.B.C.	Walter Gow	C.B.C.	Sir Thos. White	C.B.C.
E. R. Wood	C.B.C.	C. D. Magee	B.B.		

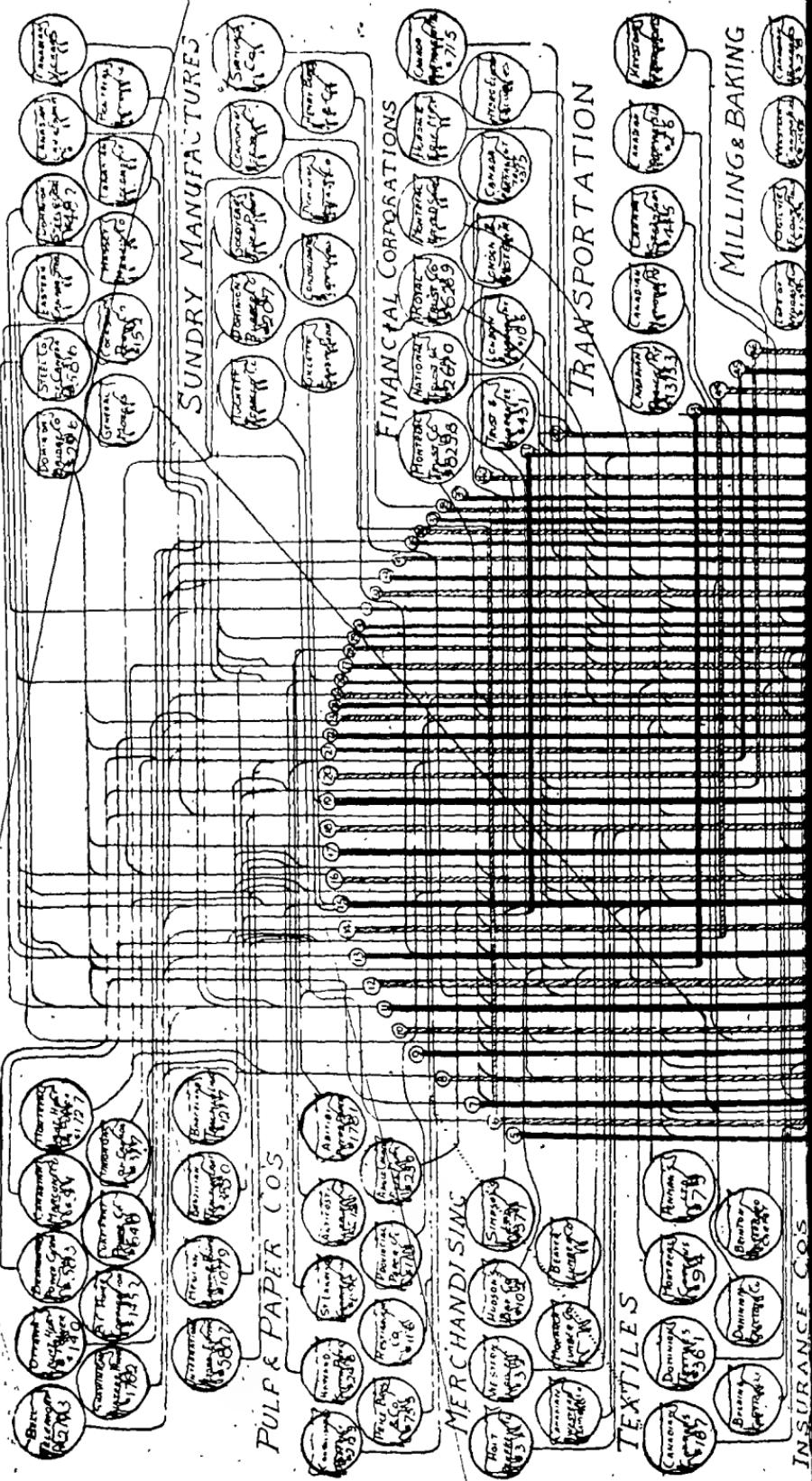
PULP AND PAPER CORPORATIONS.

The story of Pulp and Paper Corporations in Canada is a complicated and sorry one. It is thickly besprinkled with mergers, consolidations, reorganizations, defaults and bankruptcies. There appears to be a perpetual state of war on the Pulp and Paper front with a struggle for control between the Nesbitt Thompson, Backus, Graustein, Beaverbrook and Rothermere interests. Company promoters and so-called "investment bankers" have had a merry time, but the investors who have put up the money for these "Big Pulp and Paper Men" to play with, have ended up in far from a merry mood. Nevertheless in this speculative field some of the directors of our chartered banks have been quite prominent.

We give detailed information concerning the assets, directors and subsidiary companies of eight big pulp and paper corporations, none of which have gross assets less than \$10,000,000, and some of which have assets ranging from \$150,000,000 to \$212,000,000. These 8 pulp and paper companies, which have 54 subsidiary companies, have 108 directorates, of which 26 are held by 23 directors of Canadian chartered banks. Of these 23 directors, 11 are among "Canada's Fifty Big Shots". Of these 23 directorates held by directors of chartered banks, five each are held by directors

PUBLIC UTILITIES

Canada's Milking Machine STEEL & IRON



WHO OWNS CANADA?

of the Bank of Montreal, Royal Bank of Canada and the Canadian Bank of Commerce, three by directors of the Bank of Nova Scotia and two by directors of the Banque Canadian Nationale.

These 8 Pulp and Paper Corporations have total gross assets of over \$652,000,000 and account for 94% of all capital invested in the Canadian pulp and paper industry.

PULP AND PAPER CORPORATIONS

CONSOLIDATED PAPER CORPORATION. Gross Assets \$212,974,612. (14 Directors).
(Formerly Canada Power & Paper Corp.)

Subsidiary Companies:

Port Alfred Pulp & Paper Corp.
St. Maurice Valley Corporation
Abitibi Corporation
Belgo-Canadian Paper Corp.

Wayagamack Pulp & Paper Co.
Laurentide Co.
Wayagamack News Ltd.

Bank Directors:

Ross McMaster	B.M.	Major S. C. Mewburn	B.M.	C. F. Sise	B.M.
Beauty Leman	B.C.N.	A. B. Purvis		B.B.	

ABITIBI POWER & PAPER CO. LTD. Gross Assets \$178,177,089. (14 Directors).

Subsidiary Companies:

Pine Falls Power Co. Ltd.
Ste. Anne Paper Co. Ltd.
Provincial Paper Ltd.
Kaminalquia Power Co. Ltd.
Iroquois Falls Drug Co. Ltd.
Thunder Bay Paper Co. Ltd.

Manitoba Paper Co. Ltd.
Pine Falls Hotel Co. Ltd.
Murray Bay Paper Co. Ltd.
Abitibi Electric Development Co. Ltd.
Mattagami Railroad Co. Ltd.
General Power & Paper Co. Ltd.

Bank Directors:

W. A. Black	R.B.C.	Sen. A. J. Brown	R.B.C.	E. R. Wood	C.B.C.
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PRICE BROTHERS & CO. LTD. Gross Assets \$75,500,213. (12 Directors).

Subsidiary Companies:

Agence Maritime de Saguenay
Chicoutimi Mills Ltd.
Price Realty Co. Ltd.
Quebec Pulp & Paper Corp.

Saguenay Light & Power Co.
Jonquiere Pulp Co.
Chicoutimi Freehold Estates

Bank Directors:

Sen. A. J. Brown	R.B.C.	John H. Price	
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ST. LAWRENCE CORPORATION LTD. Gross Assets \$69,196,215. (15 Directors).

Subsidiary Companies:

Lake St. John Power & Paper Co.
St. Lawrence Paper Mills Ltd.
Claremont Paper Co.
Brompton Pulp & Paper Co. Ltd.

McGraw Wilson Lumber Co. Ltd.
St. Lawrence Paper Mills
Tourville Lumber Mills Co.

Bank Directors:

Sir Chas. Gordon	B.M.	Lieut. Col. H. Molson	B.M.	A. E. White	C.B.C.
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FRASER COMPANIES LTD. Gross Assets \$29,781,200. (13 Directors).

Subsidiary Companies:

Restigouche Co. Ltd.
Fraser Paper Ltd.

Fraser & Co. Ltd.
Fraser Industries Ltd.

Bank Directors:

A. H. Campbell	B.T.	Hon. Geo. Gordon	B.N.S.	J. B. Fraser	B.N.S.
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HOWARD SMITH PAPER MILLS LTD. Gross Assets \$21,614,699. (11 Directors).

Subsidiary Companies:

Federal Paper Co.
Kilgours Ltd.
Alliance Paper Mills Ltd.
Ritchie & Ramsay Ltd.
Canadian Cellulose Co. Ltd.

Canada Paper Co.
Schofield Paper Co. Ltd.
Lincoln Pulp & Paper Co.
Georgetown Coated Paper Mills
Canada Paper Wholesale Ltd.

Bank Directors:

Sir Herbert Holt	R.B.C.	C. B. McNaught	R.B.C.
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WHO OWNS CANADA?

CANADIAN INTERNATIONAL PAPER CO. Gross Assets \$10,500,000. (19 Directors).

Subsidiary Companies:

International Power & Paper Co. of Newfoundland	Canadian International Paper Co.	New Brunswick International Paper Co.	Nipigon Corp. Ltd.
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Bank Directors:	J. H. Fortier	B.C.N.	
T. A. Russell	C.B.C.	Sen. Donat Raymond	C.B.C.
		G. C. Edwards	C.B.C.

MERSEY PAPER CO. LTD. Gross Assets \$11,282,657. (7 Directors).

Subsidiary Companies:

Liverpool Brooklyn Realty Co. Ltd.	Sissiboo Clyde Power & Pulp Co. Ltd.
Mersey Shipping Co. Ltd.	

Bank Directors:	J. McGregor Stewart	R.B.C.
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TELEPHONE COMPANIES

With the exception of the three prairie provinces, the telephone facilities of Canada are in the hands of three corporations or their subsidiaries. Two of these are subsidiaries of United States corporations, but of the three the Bell Telephone Co. of Canada, with gross assets of \$217,340,210, controlled by the American Telegraph & Telephone Co., is much more important in Canada than the British Columbia Telephone Co., with gross assets of \$29,987,004, controlled by the National Telephone and Telegraph Corporation of the U.S.A., or the Maritime Telegraph and Telephone Co. Ltd., with gross assets of \$10,814,259..

The Bell Telephone Co. of Canada has twelve subsidiary companies in Canada, and besides owning and controlling telephone exchanges, trunk lines and urban and rural telephone systems, owns companies manufacturing telephone and other electrical equipment, radios and talking picture equipment. Eight of its 15 directors are also directors of Canadian chartered banks, five being directors of the Bank of Montreal, two directors of the Royal Bank of Canada and one of Barclay's Bank.

BELL TELEPHONE CO. OF CANADA. Gross Assets \$217,310,210. (15 Directors).

Subsidiary Companies:

Kamawaska Telephone Co.	Eastern Townships Telephone Co.
Woodbridge & Vaughan Telephone Co.	Fairincs Telephone Co.
Charlevoix & Saguenay Telephone Co.	Chapleau Telephone Co.
Ingersoll Telephone Co.	Welland County Telephone Co.
Canadian Telephone Co.	Northern Electric Co.
Misissiquoi Telephone Co.	Yamaska Telephone Co.

Bank Directors:

Sen. Thos. Ahearn	B.M.	C. F. Sise	B.M.	Hon. S. C. Mewburn	B.M.
Lieut. Col. H. Molson	B.M.	Hon. Henry Cockshutt	B.M.	Arthur B. Purvis	B.B.
W. F. Angus	R.B.C.	Paul F. Sise	R.B.C.		

To sum up, in this chapter we have listed 194 companies in the public utility and pulp and paper fields. These boil down to 21 holding companies with 249 directorates. Of these 249 directorates 84 are held by 49 men who are also on the Board of Directors of seven chartered banks. Of these 49 men, 27 of whom come within the exclusive company of "Canada's Fifty Big Shots", hold 55 out of the 84 directorates. Not so bad for a young and undeveloped country like Canada which is still in the pioneer stage when opportunities abound (?) for the individual.

CHAPTER 7.

“Bread and Cheese and Beer”

In this chapter we shall deal with those who control the manufacture of our basic food supplies, our bread, meat, milk, sugar and beer and whiskey. All of these depend upon farm products for their raw materials but there are no farmers amongst the names you will find in this article.

Let us first turn to the flour milling and bread baking industries. Six flour milling corporations control the flour milling industry in Canada, and as the result of aggressive advertising the names of their brands of flour are household words. Of these six, the manufacturers of Robin Hood Flour and Quaker Flour are United States Corporations with wholly owned Canadian subsidiaries. The other four, which are listed below, are Canadian corporations and account for \$54,000,000 out of the total of \$64,000,000 of capital employed in the flour milling industry in Canada. There are 397 milling plants in Canada and four corporations have 84% of the capital employed in the entire industry.

But that is only half the story. The flour milling industry has three outlets for its products, the bakeries, the export market and the housewife who bakes at home. During the past few years the dominating milling corporations have set themselves to capture the baking corporations in Canada. There are 2,697 baking plants in Canada with total capital employed, according to latest available statistics, of \$51,914,170. Six baking corporations account for \$26,535,967 or 51% of the capital employed in the entire industry, and all these six baking corporations are controlled by three of the four big Canadian flour milling corporations. Here are the companies, their subsidiary satellites and their affiliations with the Canadian chartered banks.

MILLING AND BAKING CORPORATIONS

OGILVIE FLOUR MILLS CO. LTD. Gross Assets \$15,395,694. (10 Directors).

Subsidiary Companies:

Ogilvie Grain Co.	Seaforth Milling Co.
Glenora Securities Inc.	Tree Line Navigation Co. Ltd.
Consolidated Bakeries of Canada Ltd.	Nasmith Ltd.
Northern Bakeries of Canada Ltd.	Stocks' Bread Co. Ltd.
Norris Bros. Ltd.	Palmer Baking Co. Ltd.

Bank Directors:

Sir Herbert Holt	R.B.C.	W. A. Black	R.M.	Beaudry Leman	B.C.N.
J. W. McConnell	B.M.	E. G. Osler	D.B.	Sydney T. Smith	B.N.S.
F. K. Morrow	B.T.	Sir Chas. B. Gordon	R.M.		

MAPLE LEAF MILLING CO. LTD. Gross Assets \$16,801,151. (10 Directors).

Subsidiary Companies:

Canada Bread Co.	Moose Jaw Bread Co. Ltd.
Dominion Bakeries Ltd.	Canadian Bakeries Ltd.
Campbell Flour Mills Ltd.	Hedley Shaw Milling Co. Ltd.
Port Colbourne & St. Lawrence Navigation Co. Ltd.	Eastern Bakeries Ltd.
Ontario Bag Co., Ltd.	Sanitary Bakeries Ltd.

Bank Directors:

H. E. Sellers	I.B.C.	W. J. Blake Wilson	R.B.C.		
		R. S. Walde	I.B.C.	A. C. Matthews	D.B.

WESTERN CANADA FLOUR MILLS CO. LTD. Gross Assets \$8,781,429. (10 Directors).

Subsidiary Companies:

Brachman Kerr Milling Co. Ltd.	Purity Baking Co. Ltd.
Purity Flour Mills Ltd.	Dominion Salt Co. Ltd.

Bank Directors:

Sir John Aird	C.B.C.	F. K. Morrow	B.T.	F. G. Osler	D.B.
Sir Herbert Holt	R.B.C.	Sir Chas. B. Gordon	B.M.	Beaudry Leman	B.C.N.
J. W. McConnell	B.M.	W. A. Black	B.M.	Sydney T. Smith	B.N.S.

WHO OWNS CANADA?

LAKE OF THE WOODS MILLING CO. LTD. Gross Assets \$13,082,832. (13 Directors).

Subsidiary Companies:

Keewatin Flour Mills Co.
Medicine Hat Milling Co.
Sunset Manufacturing Co.
Dominion Flour Mill Co.
Inter City Baking Co.
Inter City Western Bakeries Ltd.
Brown's Bread Ltd.
Standard Bread Co. Ltd., Ottawa
Shortdow Bread Co. Ltd.
Standard Bread (Montreal) Ltd.

Spiers Parnell Baking Co.
Crown Bakery Ltd., Regina
Weyburn Bread Co.
Clifton Bakery, Moose Jaw
Saskatoon Bread Co.
Medicine Hat Baking Co.
Golden-West Bakery, Calgary
Cowan Dodson Bakeries, Vancouver
Ronnie & Taylor Ltd., Vancouver
A & L. Strachan Ltd.

Bank Directors:

Lord Shaughnessy C.B.C. J. W. Hobbs I.B.C. I. P. Philpato C.B.C.
G. Wm. Allan C.B.C. F. S. McIglen B.T. Paul F. Sise. R.B.C.

Taking the flour milling and bread baking industries as a whole, 44 corporations control 69% of the flour milling business and 51% of the bread baking business of Canada. These 44 corporations are controlled by just three flour milling corporations, namely the Ogilvie Flour Mills Co., the Maple Leaf Milling Co., and the Lake of the Woods Milling Co. These three corporations are controlled in turn by eighteen bank directors who hold the majority of the directorates on these companies, and these eighteen directors in turn represent the interests of eight chartered banks.

Those of us who like macaroni, spaghetti, noodles, or any other flour paste products need not think that they can escape the clutches of monopoly, for whatever brand they use they pay toll to the big macaroni men of the Catelli Macaroni Products Corporation Ltd. with gross assets of over \$2,000,000 and eight wholly owned subsidiary corporations consisting of the Excelsior Macaroni Co. Ltd., C. H. Catelli Co. Ltd., Dominion Macaroni Co. Ltd., Columbia Macaroni Ltd., Jude Delisle & Frere, Puccini Macaroni Co. Ltd., P. Pastene & Co. Ltd., and the Superior Macaroni Products Co. Ltd., on which the chartered banks are represented by Alphonse Raymond of the Provincial Bank of Canada, and W. A. Hutchison of the Canadian Bank of Commerce.

MEAT PACKING AND SLAUGHTERING

There are 76 meat packing and slaughtering establishments in Canada according to the Dominion Bureau of Statistics, with total capital employed in the industry of \$60,778,996, of which over 78% is accounted for by two corporations alone, Canada Packers Ltd. and Burns & Co. Ltd. When it is borne in mind that the remaining 22% includes Swift Canadian Ltd., a wholly owned subsidiary of the big Chicago meat packing octopus, the Swift-Armour Co., it becomes clear that monopoly rules the roost in the meat packing industry in Canada.

Canada Packers Ltd. with gross assets of \$30,725,897 has shown a net average profit on invested capital of 12.17%, and some of its subsidiary companies have shown net profits as high as 23.67% on invested capital at the same time that farmers have had to sell their hogs and cattle to this company below the cost of production. It has sixteen subsidiary corporations operating throughout Canada and it has set aside depreciation reserves each year at such a high rate, that if continued over a period of approximately seven years, the entire cost of the physical assets will have been wiped out and Canada Packers will still have its plant in full running order for nothing. The producers and consumers will have paid for it and the company will own it.

CANADA PACKERS LTD. Gross Assets \$30,725,897. (12 Directors).

Subsidiary Companies:

Wm. Davis Co. Inc.
Harris Abattoir Co. Ltd.
Canadian Packing Co. Ltd.
Gupins Ltd.
The William Davies Co. Ltd.
Ontario Fertilizers Ltd.
National Canned Meats Ltd.
Duane Produce Co.
Harris Abattoir (Western) Ltd.
Ontario Fertilizers Ltd.
Canadian Gas & Equipment Ltd.
Public Cold Storage & Wareh'g Co.
Walkerton Egg & Dairy Co. Ltd.
Wellington Produce Co. Ltd.
Gunn Langlois & Co. Ltd.
Federal Cold Storage & Warehousing Co.

WHO OWNS CANADA?

Bank Directors: J. S. McLean C.B.C.
BURNS & CO. LTD. Gross Assets \$16,687,361. (9 Directors).
Subsidiary Companies: Palm Dairies Ltd. Consolidated Fruit Co. Ltd.
Bank Directors: Senator P. Burns B.M. W. J. Blake Wilson R.B.C. John I. McFarland B.T.

CANNING CORPORATIONS

The tool that is in most frequent use in the household nowadays is the can opener. Fruits, vegetables, meat products, jams and jellies, fish products and dairy products all come in a tinned iron container. It is interesting to note therefore how far concentration of control has gone in this field in Canada. There are 249 fruit and vegetable canning establishments in Canada with capital employed amounting to \$35,119,475. Of this one company alone, Canadian Canners Ltd., accounts for approximately 64%. It has five subsidiary corporations, including a seed company which supplies the growers with seeds, a canning machinery company which provides the machinery and a company which manufactures boxes and containers. The chartered banks are represented on its board of directors by J. A. Northway of the Imperial Bank and G. C. Edwards of the Canadian Bank of Commerce.

In fish curing and packing in which there are 699 establishments in Canada, the field is dominated by one firm, British Columbia Packers Ltd., with six subsidiary companies. The chartered banks are represented on its board of directors by George Kidd of the Bank of Toronto and H. R. Macmillan of the Canadian Bank of Commerce.

CANADIAN CANNERS LTD. Gross Assets \$22,372,283. (12 Directors).

Subsidiary Companies: Wagstaffe Ltd. Pembridge Shook Mills Ltd.
Cannex Seeds Ltd. St. Hyacinthe Canning Co.
Cannex Machinery Ltd.

Bank Directors: J. A. Northway I.B.C. G. C. Edwards C.B.C.

BRITISH COLUMBIA PACKERS LTD. Gross Assets \$9,603,136. (9 Directors).

Subsidiary Companies: British Columbia Fishing & Packing Skeena River Packing Co. Ltd.
Co. Ltd. Gosse Packing Co. Ltd.
Wallace Fisheries Ltd. Packer Steamships Co. Ltd.
Milleder Packing Co. Ltd.

Bank Directors: George Kidd B.T. H. R. Macmillan C.B.C.

DAIRY CORPORATIONS

The dairy industry has been the happy hunting ground of the merger manipulators, stock waterers and company promoters in Canada during the past few years. Bonds and shares have been unloaded upon producers, employees and consumers alike. The distributing corporations have found a better place for the water than in the milk. They put it into their stocks and bonds where it is more profitable for the promoters, but far from profitable for the unhappy purchasers.

Small individually owned plants and farmers' co-operatives have been gobbled up, and now there is hardly a city or town of any size in Canada in which the creamery and milk distributing plant is not a link in the chain of one of the four big dairy corporations in Canada. Two of these, the Borden Co. of Canada Ltd. and the Eastern Dairies Ltd. each have gross assets exceeding \$10,000,000. The other two fall below the \$10,000,000 mark, but the Dairy Corporation of Canada has been in difficulties for some time, and it is expected will soon be swallowed up by Silverwood's Dairies Ltd., and the combined corporation will then rank with the other two big

WHO OWNS CANADA?

corporations. Six out of the twelve directors of the Borden Co. of Canada are also directors of Canadian chartered banks, three of them being connected with the Bank of Montreal, two with the Canadian Bank of Commerce and the other with the Bank of Nova Scotia. This company is a wholly owned subsidiary of the Borden Co. of the United States.

There are no Canadian bank directors on the boards of the other three dairy corporations as yet, or rather it would be more accurate to state that none of the directors of the other companies have as yet been given a seat on the directoral boards of the chartered banks, but there is still hope as soon as they get bigger and wealthier. Eastern Dairies Ltd. is controlled by the Nesbit Thompson interests of power, pulp and paper fame, and has 5 subsidiary companies. The Dairy Corporation of Canada controls twelve subsidiary companies in Eastern Canada and the Prairie Provinces and was the product of the genius of one Joe Caulder, well known in Moose Jaw and Regina. Silverwood's Dairies Ltd. which has had a meteoric career during the last few years, has confined itself in the past to swallowing any unattached creameries in Ontario. It now controls 25 subsidiary companies and is dominated by A. E. Silverwood who started out by being a little "Butter and Egg Man", graduated in the "Big Butter and Egg Man" class, and has now developed an insatiable appetite for dairy companies.

BORDEN CO. OF CANADA LTD. Gross Assets \$19,000,000. (12 Directors).

Subsidiary Companies:

Ottawa Dairy Ltd., Ottawa
Cornwall Dairy Products Ltd.,
Cornwall
Moynor Co-operative Creamery,
Ottawa
Laurentian Dairy Ltd., Ottawa
Chateau Cheese Co. Ltd., Ottawa
Baumert Co. Ltd., Huntingdon, Que.
Pure Milk Co. Ltd., Hamilton
City Dairy Co. Ltd. at Toronto, Wood-
stock, Embro, New Lowell, Ont.

Renton Creamery, Renton, Ont.
The Drimilk Co. Ltd.
Canadian Milk Producers Ltd.
Borden Farm Products Co. Ltd.
Westgate Ice Cream Co.
Caulfields Dairy Ltd.
J. J. Joubert Ltd.
Hall's Ltd.
Borden's Niagara Dairies
Windsor City Dairy
Walkerside Dairy Ltd.

Bank Directors:

Sir Chas. Gordon	B.M.	Hon. S. C. Mewburn	B.M.	G. C. Edwards	C.B.C.
J. W. McConnell	B.M.	S. J. Moore	B.N.S.	Hon. D. Raymond	C.B.C.

EASTERN DAIRIES LTD. Gross Assets \$11,109,140. (6 Directors).

Subsidiary Companies:

Elmhurst Dairy Ltd., Montreal
Producers Dairy Ltd., Ontario
Crescent Creamery Co., Winnipeg

Hull Dairy Ltd.
Acme Farmers Dairy Ltd.

DAIRY CORPORATION OF CANADA LTD. Gross Assets \$6,760,171. (11 Directors).

Subsidiary Companies:

City Dairy Ltd., Winnipeg
Purity Dairy Products Ltd.,
Saskatoon
Edmonton City Dairy Ltd.
Canada Dairies Ltd.
Woodland Dairies Ltd.
The E. G. D. Co. Ltd.

Purity Dairy Ltd., Regina
Montreal Dairy Co. Ltd.
Prairie Creameries Ltd.
Purity Ice Cream Ltd., Winnipeg
United Dairies Ltd.
Franklin Dairies Ltd.

BEER AND WHISKY

Brewing and distilling become quite respectable industries, provided they are done on a large scale and the profits are substantial. Colonels and lawyers, senators and lords are proud to sit upon the boards of directors and help quench the thirst not only of Canadians but also of citizens of the United States for a "consideration". Bank directors also have not scorned to be connected with companies who make fat profits by importing Scotch labels and essences of Scotch whisky to blend with the home manufactured product. Since the raw materials, barley, rye, potatoes and hops are agricultural products also and are used to manufacture what are euphoniously called "liquid beverages", we include them in this article.

WHO OWNS CANADA?

There are 15 legal distillery establishments in Canada according to Government statistics, with a total capital employed in the industry of \$61,533,825 of which more than 77% is accounted for by two corporations, Hiram Walker-Goodeham & Worts Ltd., and Canadian Industrial Alcohol Co. Ltd. These two companies have 12 subsidiary companies between them, and F. K. Morrow of the Bank of Toronto represents the chartered banks on Hiram Walker-Goodeham & Worts, whilst Lord Shaughnessy of the Canadian Bank of Commerce sits on the board of the Canadian Industrial Alcohol Co.

HIRAM WALKER&GOODEHAM & WORTS LTD. Gross Assets \$34,867,188. (10 Directors).

Subsidiary Companies:

Hiram Walker & Sons
Goodeham & Worts Ltd.
Jas. & Geo. Stodart Ltd.

Dominion Carbolic Co. Ltd.
Stirling Bonding Co. Ltd.

Bank Directors:

F. K. Morrow

B.T.

CANADIAN INDUSTRIAL ALCOHOL CO. LTD. Gross Assets \$13,765,672. (8 Directors).

Subsidiary Companies:

Consolidated Distilleries Ltd.
Consolidated Distilleries of Manitoba
Ltd.
Canadian Industrial Alcohol Co. of
Manitoba

St. Hyacinthe Distillery Co. Ltd.
Wise's Distillery Ltd.
J. M. Douglas & Co. Ltd.
Robert McNish & Co. Ltd.

Bank Directors:

Lord Shaughnessy C.B.C.

There are 80 legal brewing establishments in Canada with a total capital employed of \$75,599,652, of which more than 51% is accounted for by the following four corporations which have between them 23 subsidiary companies. The largest and the only one with gross assets exceeding \$10,000,000 is National Breweries Ltd., with two directors of the Canadian Bank of Commerce and one Royal Bank director on its board. The others appear to be too small as yet to have earned seats around the tables of the mighty.

NATIONAL BREWERIES LTD. Gross Assets \$18,939,230. (11 Directors).

Subsidiary Companies: Frontenac Breweries Ltd.

Bank Directors:

Julian C. Smith R.B.C. Hon. D. Raymond C.B.C. F. P. Jones C.B.C.

BREWING CORPORATIONS OF CANADA LTD. Gross Assets \$7,163,816. (13 Directors)

Subsidiary Companies:

British American Brewing Corporation.
Windsor
The Brading Breweries Ltd., Ottawa
Kuntz Brewery Ltd.
Kuntz Beverages Ltd.
Eastern Canada Brewing Corp. Ltd.
Grant's Spring Brewery Co. Ltd.

Security Transportation Co. Ltd.
Dominion Brewery Co. Ltd.
Regal Brewing Co. Ltd.
Kiewel Brewing Co. Ltd.
Carling Breweries Ltd.
Budweiser Brewing Co. of Canada

ASSOCIATED BREWERIES OF CANADA LTD. Gross Assets \$4,988,944. (11 Directors)

Subsidiary Companies:

Lethbridge Breweries Ltd.
Edmonton Breweries Ltd.
Canadian Brewery Engineers Ltd.

Prince Albert Breweries Ltd.
Regina Brewing Co. Ltd.

WESTERN BREWERIES LTD. Gross Assets \$4,278,698. (12 Directors).

Subsidiary Companies:

The Drewrys Ltd., Winnipeg
American Brewing Co. Ltd., Moose Jaw
Premier Brewing Co. Ltd., Brandon

Western Canada Brewing Co.
Saskatoon
Drewry's Dry Ginger Ale, Canada

CHAPTER 8.

Clothing, Shelter and Transportation

TEXTILES

WE have dealt with food and drink in the previous chapter. We now turn to the industries grouped around the other two essentials of life, clothing and shelter. The clothing industries include the manufacture of cotton textiles, woollen textiles, silk and artificial silk, knitted goods and hosiery, men's factory made clothing, and women's factory made clothing. The total capital employed in the textile and textile product industries according to the latest official statistics available was \$368,567,643, of which cotton yarn and cloth manufacturing accounted for \$78,542,804; hosiery, knitted goods and fabric gloves accounted for \$65,047,351, and the manufacture of silk and artificial silk cloth \$30,506,060. Woollen cloth comes next with capital employed of \$20,202,796. The commercial manufacture of linen cloth in Canada is very small. Men's factory made clothing accounts for \$26,294,787 of capital employed and women's factory made clothing accounts for \$23,432,441.

The large corporations and the greatest amount of concentration of industry are found in the manufacture of cotton, silk and woollen cloth. The industries making up the cloth into finished clothing are still comparatively small and have not attracted any of the "Big Shots". There is evidently too much risk and too little profit in that branch of the clothing industry which is subject to the vagaries of fashion changes, to interest those who dabble in nothing small.

Of approximately \$78,000,000 invested in the cotton yarn and cotton cloth manufacturing industry in Canada, the four corporations listed below, consisting of the Dominion Textile Co. Ltd., Canadian Cottons Ltd., Wabasso Cotton Co. Ltd., and Montreal Cottons Ltd., account for more than \$75,000,000. In other words, out of 62 establishments engaged in the manufacture of cotton yarn and cotton cloth in Canada, four corporations account for more than 99.9% of the capital employed in the industry and all the remaining establishments account for less than one tenth of one per cent. That is surely concentration of industry carried to the "n'th" degree. Now let us see who controls these four corporations.

DOMINION TEXTILE CO. LTD. Gross Assets \$36,150,707 (7 Directors)

Subsidiary Companies:

Patoon Manufacturing Co. Ltd.
Drummondville Cotton Co. Ltd.

Sherbrooke Cotton Co. Ltd.

Bank Directors: Sir Chas. B. Gordon B.M.
Sir Herbert Holt R.B.C. Sir F. Williams Taylor B.M. Wm. A. Black B.M.

CANADIAN COTTONS LTD. Gross Assets \$16,703,823 (7 Directors)

Subsidiary Companies:

Cornwall & York Cotton Mills Co. Ltd.

Bank Directors:

Wm. A. Black B.M. Hon. F. L. Belique B.C.N. A. O. Dawson B.M.

WABASSO COTTON CO. LTD. Gross Assets \$12,998,305 (8 Directors)

Subsidiary Companies:

Shawinigan Cotton Co. Ltd.

St. Maurice Valley Cotton Mills Ltd.

Mercerisers Ltd.

Directors: Wm. I. Gear B.T.

WHO OWNS CANADA?

MONTREAL COTTONS LTD. Gross Assets \$9,410,610. (5 Directors)

Subsidiary Companies:

Montreal Cotton Co. Ltd.

Valleyfield Electric Co. Ltd.

Bank Directors:

Sir Chas. B. Gordon

B.M.

Sir Herbert Holt

R.B.C.

As will be seen from the information furnished above, these four corporations own and control nine other companies, and of the 27 directorates on these companies, ten are held by seven directors of Canadian chartered banks. Of these seven, five come within the charmed circle of "Canada's Fifty Big Shots", in the persons of Sir Chas. B. Gordon, Sir Frederick Williams Taylor and Wm. A. Black, all of the Bank of Montreal, Sir Herbert Holt of the Royal Bank of Canada and the 88 year old Senator F. L. Blique of Banque Canadien Nationale. If there were any need to explain why both wings of Canada's capitalist political party are able to call upon their friends for campaign funds "in lively anticipation of favors to be received", reference to the textile industry, the "Child of the Tariff", should be sufficient. If the industry needed a theme song it could not choose a better one than "You made me what I am today, I hope you're satisfied." Under the tariff on textiles entering Canada the average rate of duty has kept on mounting as follows:

1927—23.8%	1928—23.9%	1929—24.5%	1930—25.0%
1931—27.8%	1932—36.0%	1933—33.7%	

The benefits of these tariffs have not gone to Canada's consumers. They have not gone to the workers in the textile industries, for their wages are lower than before. They haven't gone to Canada's cotton growers, for there aren't any. We leave our readers to guess where they have gone.

The manufacture of real silk in Canada as distinct from artificial silk or rayon is dominated by Belding-Corticelli Ltd. This corporation has gross assets of \$4,151,501 and of its 6 directors, three are also directors of chartered banks, namely Wm. A. Black of the Royal Bank of Canada, A. O. Dawson of the Bank of Montreal and J. M. Mackie of the Dominion Bank. This company owns and controls the following other silk manufacturing companies, Belding Paul & Co., Montreal, Corticelli Silk Co., St. Johns, Que., Cascade Narrow Fabric Silk Co., Coaticook, Que., Hosiery Corporation of Canada, and Independent Silk Ltd.

The manufacture of celanese or artificial silk fabrics in Canada is dominated by Canadian Celanese Ltd., a Canadian subsidiary of a British corporation which owns the sole rights to use the Dreyfus patents for the manufacture of celanese, non-inflammable celluloids, and photographic films. Its gross assets total \$13,059,770. While operating in Canada it is controlled from Great Britain and the United States and has no interlocking directorates with any Canadian chartered banks. Of its nine directors, five are resident in the United States, two in Great Britain and two in Canada.

The manufacture of woollen yarn and cloth in Canada is dominated by Dominion Woollens & Worsteds Ltd., which owns the only wool combing plant in Canada. It owns and controls Canadian Woollens Ltd., Otonabee Mills Ltd., Milton Spinners Ltd., R. Forbes Co. Ltd., and Orillia Worsted Co. Ltd., and has two mills at Peterborough, and one each at Hespeler, Orillia and Milton, all in Ontario. Its gross assets amount to \$5,816,622 and its president is A. O. Dawson, a director of the Bank of Montreal.

Among corporations manufacturing hosiery and knitted goods Penmans Ltd., and Zimmerknit Co. Ltd., are the largest in Canada. Penmans Ltd. whose Chairman of the Board of Directors, Sir Chas. Gordon, is also President of the Bank of Montreal, has gross assets of \$7,396,296, and owns and controls a subsidiary corporation, Watson Manufacturing Co. Ltd.

WHO OWNS CANADA?

Zimmerknit Co. Ltd. has gross assets of \$1,654,540 and owns and controls the Harvey Knitting Co. Ltd., and Hosiers Ltd. A. V. Young of the Canadian Bank of Commerce is one of its directors.

Cosmos Imperial Mills Ltd. is the largest company manufacturing the heavier grades of cotton cloth, duck, canvas etc. for sails, belting and tents. Its gross assets total \$4,066,371 and here again A. V. Young of the Canadian Bank of Commerce is one of its Board of Directors.

BUILDING SUPPLIES AND CONTRACTORS

Industries connected with the provision of shelter include lumbering, cement manufacture, gypsum and lime manufacture, brick and clay products manufacture and construction corporations. We have not included lumber in this survey since there are very few if any large corporations which are engaged in this primary industry selling shares to the public, as yet.

When we come to cement manufacture we find that one corporation practically monopolizes the cement manufacturing industry in Canada. This company is the Canada Cement Co. Ltd., with gross assets totalling \$48,672,944, which accounts for more than 82% of the entire capital employed in that industry. Of the 14 directors of that company six are also directors of Canadian chartered banks. Of these six bank directors one, Sir Herbert Holt, is president of the Royal Bank of Canada, and the remaining five, F. P. Jones, H. J. Fuller, George W. Allan, G. C. Edwards and T. A. Russell are all directors of the Canadian Bank of Commerce.

In Gypsum and lime manufacturing again one corporation monopolizes the major portion of the industry. This company is Gypsum, Lime and Alabastine Canada Ltd. with gross assets of \$11,962,117. It owns and controls five subsidiary companies, namely the Nova Scotia Coal & Gypsum Ltd., Standard Lime Co. Ltd., Crystallite Products Ltd., Wellington Lime Co. Ltd., and Dominion Stucco Co. Ltd. The Hon. Henry Cockshutt of the Bank of Montreal is one of its Board of Directors.

Among corporations manufacturing roofing products, Building Products Ltd. is the largest in Canada. It owns and controls two subsidiaries, Bird & Son Ltd., and the Rubberoid Co. Ltd. Its gross assets amount to \$3,288,774 and C. B. McNaught of the Royal Bank of Canada sits upon its board of directors.

Companies manufacturing brick are usually small local concerns, but in Eastern Canada concentration of control even in this field has reached such an extent that two companies control a large number of the brick making plants in Ontario & Quebec and these two companies are so closely interlocked, that three out of the five directors of one of the companies, the Cooksville Co. Ltd., are also directors of the other large company, the La Prairie Company, Inc. of Quebec. These two companies have total gross assets of \$7,834,540 and own and control five subsidiary companies. None of the directors of these companies have as yet graduated into the class of chartered bank directors.

Other companies manufacturing clay products are the National Sewer Pipe Co. Ltd., and Standard Clay Products Ltd. The National Sewer Pipe Co. Ltd. with gross assets of \$2,477,896 owns and controls four subsidiary companies, the Ontario Sewer Pipe and Clay Products Co. Ltd., the Dominion Sewer Pipe & Clay Industries Ltd., the Clay Products Agency and the Hamilton & Toronto Sewer Pipe Co. Ltd. The chairman of the board of Directors is the Hon. H. Cockshutt of the Bank of Montreal. Standard Clay Products Ltd., has gross assets of \$1,345,495 and operates five plants in Quebec and Nova Scotia. Its president is Lieut. Colonel Herbert Molson of the Bank of Montreal.

WHO OWNS CANADA?

Insofar as paint manufacturing in Canada is concerned, the largest company is a subsidiary of an American company, the Sherwin Williams Co. This Canadian subsidiary has gross assets totalling \$14,235,267 and owns and controls five subsidiary companies, the Canada Paint Co. Ltd., International Varnish Co. Ltd., Martin Senour Co. Ltd., Carter White Lead Co. of Canada Ltd., and the Winnipeg Paint & Glass Co. Ltd. None of the directors of this company are directors of Canadian chartered banks. The next largest paint companies in Canada are Brandram Henderson Ltd., and International Paints (Canada) Ltd. Brandram Henderson Ltd. has gross assets of \$4,084,173 and owns and controls the Alberta Linseed Oil Co. Ltd. and the Pacific White Lead Co. Ltd. Three out of its twelve directors are also directors of chartered banks, namely the Hon. Wm. A. Black and G. McGregor Mitchell of the Royal Bank of Canada and Hector McInnes of the Bank of Nova Scotia. International Paints (Canada) Ltd. has gross assets of \$1,048,990 and owns and controls the Holland Varnish Co. Ltd., National Varnish Co. of Canada Ltd. and Stewart & Wood Ltd. W. W. Hutchison, director of the Canadian Bank of Commerce is also on its board of directors.

Among construction companies which contract to erect large buildings, and construct roads, canals etc., bank directors again figure on their boards of directors. Standard Paving & Materials Ltd. has gross assets of \$3,952,184. It owns and controls ten subsidiary companies consisting of the Consolidated Sand & Gravel Co. Ltd., the Durham Stone and Sand Co. Ltd., Waterford Sand & Gravel Co. Ltd., Superior Gravel Co. Ltd., Fuller Gravel Ltd., Paris Sand & Gravel Co. Ltd., Kilmer & Barber Ltd., National Sand & Material Co. Ltd., Standard Paving Nova Scotia Ltd., and Standard Paving Ltd. Gordon C. Edwards of the Canadian Bank of Commerce is on its Board of Directors.

The Canadian Dredge & Dock Co. Ltd. is engaged in the construction of harbors, canals, docks, breakwaters and general dredging work. It owns and controls the Canadian Dredging Co. Ltd. and has gross assets totalling \$3,635,025. Three of its nine directors are also directors of Canadian chartered banks, namely Major General S. C. Mewburn of the Bank of Montreal, W. E. Phin of the Canadian Bank of Commerce and W. J. Sheppard of the Royal Bank of Canada.

The Foundation Co. of Canada Ltd. erects buildings, power plants, bridges, etc. It owns and controls Foundation Maritime Ltd., Construction Equipment Co. Ltd., and Foundation Co. of Ontario Ltd. Its gross assets are \$2,905,925 and three out of its eleven directors are also directors of chartered banks, namely Senator A. J. Brown, W. F. Angus and C. B. McNaught, all of the Royal Bank of Canada, and all of the select company of Canada's Fifty Big Shots.

The George A. Fuller Co. of Canada is controlled by the parent firm of George A. Fuller Co. of Jersey, an American corporation. It is engaged in the erection of large buildings, industrial plants and general construction engineering. Its gross assets total \$1,172,312 and two out of its ten directors are also directors of Canadian chartered banks, namely W. A. Black of the Bank of Montreal and Senator J. M. Wilson of the Banque Canadien Nationale.

TRANSPORTATION

Since we have already dealt with those corporations which control our food, clothing and shelter, we shall devote the balance of this chapter to the means of transportation, on land, water and in the air.

WHO OWNS CANADA?

Let us first turn to Canada's Colossus, or rather its "Old Man of the Mountains" which sits firmly on Jack Candick's shoulders and grips his neck lovingly with his knees. We all know of course that the Dominion of Canada owns the Canadian National Railways, although others control it. It is sometimes said that the Canadian Pacific Railway owns the Dominion of Canada. This is not quite correct as yet, although its President, Mr. E. W. Beatty K.C. still has hopes. Here it is in all its glory, with its 18 directors, of which every one of its 15 Canadian directors are among the exclusive company of Canada's Fifty Big Shots, with its millions of acres of lands which it got for nothing from the Dominion Government, with its perpetual exemption from taxation on its right of way, with its twenty-five subsidiary corporations, consisting of railways, steamships, express companies, telegraph companies, hotels, power corporations, land companies and mining companies.

CANADIAN PACIFIC RAILWAY COMPANY, LTD. Gross Assets \$1,375,366,013.

(18 Directors)

Subsidiary Companies:

Canadian Pacific Steamships Ltd.
Canadian Pacific Express Co. Ltd.
Duluth, South Shore & Atlantic R.R. Co.
Mineral Range Railroad Co.
Wisconsin Central Railway Co.
Consolidated Mining & Smelting Co. of Canada Ltd. Gross Assets \$48,924,231.
West Kootenay Power & Light Co.
Rossland Water Power & Light Co.
Northport Power & Light Co.
Buena Vista Mining Co. Ltd.
George Gold Copper Mining Co. Ltd.
Iva Fern Mines Ltd.
Northern Lead Zinc Ltd.

Northern Alberta Railways Co. Ltd.
Algoma Eastern Railway Co.
Chateau Frontenac Hotel Co. Ltd.
Minneapolis, St. Paul & Sault Ste. Marie Railway.
Central Terminal Railway Co.
Cascade Water Power & Light Co.
Okanagan Water Power Co.
Coast Copper Co. Ltd.
Sunlock Mines Ltd.
Solar Development Co. Ltd.
Pacific Coast Terminals Ltd.
Hridged River Consolidated Mines Ltd.

Bank Directors:

T. W. Beatty	B.M.	Sir Herbert Holt	R.B.C.	Lord Shaughnessy	C.R.C.
A. Black	B.M.	W. J. Blake Wilson	R.B.C.	Jas. A. Richardson	C.R.C.
Col. H. Cockshutt	B.M.	Col. F. S. Meighen	B.T.	R. S. McLaughlin	D.B.
Ross McMaster	B.M.	W. N. Tilley	B.M.	J. W. Hobbs	I.B.C.
Mr. Chas. Gordon	B.M.	Sen. F. L. Beloeil	B.C.N.		

Fourteen out of its 18 directors are also directors of Canadian chartered banks, and of these, 5 are directors of the Bank of Montreal, 2 are directors of the Royal Bank of Canada, 2 are directors of the Canadian Bank of Commerce, and the Dominion Bank, Imperial Bank of Canada, Bank of Toronto and Banque Canadiane Nationale account for one each.

The chief "competitor" of the C.P.R. on the Great Lakes is Canada Steamship Lines Ltd. It is interesting to note therefore that two of the directors of the C.P.R. are also directors of the Canada Steamship Lines Ltd.

CANADA STEAMSHIP LINES LTD. Gross Assets \$44,504,663. (14 Directors)

Subsidiary Companies:

Century Coal Co. Ltd.
Tidewater Shipbuilders Ltd.
George Hall Coal & Shipping Co.
Mandir Richelieu Co. Ltd.

Davie Shipbuilding & Repairing Co. Ltd.
Midland Shipbuilding Co. Ltd.
Kingston Elevator Co.

Bank Directors:

Mr. A. J. Brown	R.B.C.	J. W. McConnell	B.M.	J. H. Fortier	B.C.N.
R. McNaught	R.B.C.	Ross McMaster	B.M.		

WHO OWNS CANADA?

Eastern Canada Coastal Steamships Ltd., another "competitor" of the C.P.R. in the Atlantic coastal service, with its subsidiary the Nova Scotia Shipping Co. Ltd., has the Vice President of the C.P.R., Grant Hall, on its board of directors.

In the air also, the C.P.R. reigns supreme, for five of the 17 directors of Canadian Airways Ltd., Canada's biggest air transport company, are also directors of the C.P.R. Eight out of the seventeen directors are also directors of one or other of Canada's chartered banks, and seven of its directors are among Canada's Fifty Big Shots.

CANADIAN AIRWAYS LTD. Gross Assets \$2,666,651. (17 Directors)

Subsidiary Companies:

International Airways of Canada

Canadian Transcontinental Airways

Western Canada Airways Ltd.

Aviation Corporation of Canada

Interprovincial Airways Ltd.

Bank Directors:

Sir Herbert Holt	R.B.C.	E. W. Beatty	B.M.	G. C. Edwards	C.B.C.
W. J. Blake Wilson	R.B.C.	Sir Chas. Gordon	B.M.	T. A. Russell	C.B.C.
M. W. Wilson	R.B.C.	Jas. A. Richardson	C.B.C.		

CHAPTER 9.

Chemicals and Non-Ferrous Metals

WHO holds chemicals and who holds the non-ferrous metals has the industrial future of the world in his hands. Coal, iron, and steel wage today a losing struggle—almost a lost one—to maintain their old established hegemony as the basis of world power. Industries almost unknown and materials almost unexploited thirty years ago dominate the capitalist facts of the present and the capitalist hopes of the future. To chemicals, to tin, copper, aluminium, nickel, rubber and oil, and the 'new industries' and the electric power that depend for their very existence upon these 'New materials', must we, socialist or capitalist, look for our salvation—but in different ways." So says W. Fox in a pamphlet "I.C.I.—Imperial Chemical Industries" published in London recently and dealing with the ramifications of that immense chemical and metallurgical trust in England. It is just as true for Canada. Who holds chemicals and who holds the non-ferrous metals has the industrial future of Canada in his hands. Let us see who control these industries in Canada. We shall begin with the corporations manufacturing chemical products, including oil and rubber.

CHEMICAL CORPORATIONS

The heavy chemical industry in Canada is dominated by Canadian Industries Ltd., which in turn is controlled by the Imperial Chemical Industries Ltd. of Great Britain and the E. I. du Pont de Nemours Co. of the United States. It manufactures explosives, cartridges, rubber-coated fabrics, industrial paints, pyralin and cellophane, salt, heavy, chemicals and fertilizers. Its operations are divided into five divisions, the chemical division, the explosives and ammunition division, fabrics and finishes division, fertilizer division and cellulose products division. Four out of its six Canadian directors are also directors of Canadian chartered banks, and in addition to the five subsidiary corporations which it controls, it has important investments in the General Motors Corporation of Canada Ltd., and the Dunlop Tire and Rubber Goods Co., Ltd.

The Dominion Tar & Chemical Co., Ltd., specializes in the distillation of tar and its by-products such as creosote, phenol, creosol and tar acids, the manufacture of roofing materials and the creosoting of lumber. It has eight subsidiary companies and practically dominates the tar and creosoting industry in Canada.

The Standard Chemical Co. Ltd., specializes in the manufacture of chemical products derived from the destructive distillation of wood. Among these are wood alcohol, formalin, acetone, acetic acid, acetate of lime, acetate of soda, and charcoal. It has five wholly owned subsidiaries and the Royal Bank of Canada is represented on its Board of Directors by W. J. Sheppard.

CANADIAN INDUSTRIES LTD. Gross Assets \$47,807,243. (12 Directors)

Subsidiary Companies:

Canadian Safety Fuse Co. Ltd.
Canadian Ammonia Co. Ltd.
Grasselli Chemical Co. Ltd.

Triangle Chemical Co. Ltd.
Canadian Salt Co. Ltd.

Bank Directors:

Sir Chas. B. Gordon
Ross McMaster

B.M.
B.M.

A. B. Purvis
Lieut.-Col. H. Nelson

R.B.
B.M.

WHO OWNS CANADA?

DOMINION TAR AND CHEMICAL CO., LTD. Gross Assets \$13,211,396. (9 Directors)

Subsidiary Companies:

Canada Roof Products Ltd.
Ethere Conduits of Canada Ltd.
American Tar & Chemical Co. Ltd.
Alberta Wood Preserving Co. Ltd.

Canada Creosoting Co. Ltd.
Vancouver Creosoting Co. Ltd.
Alexander Murray & Co. Ltd.
Calders (Canada) Ltd.

Bank Directors:

Sir Herbert Holt R.B.C.

STANDARD CHEMICAL CO. LTD. Gross Assets \$1,699,717. (7 Directors)

Subsidiary Companies:

Charcoal Supply Co.
Wood Products Co. of Canada Ltd.

Canada Chemical Co. Ltd.
Laurentian Chemical Co. Ltd.
Charcoal Supply Co. of Quebec Ltd.

Bank Director:

W. J. Sheppard R.B.C.

PETROLEUM PRODUCTS

A very important branch of the chemical industry in these days of automobile traffic is the distillation and refining of mineral oil products. Although oil and natural gas have been found in Ontario and Alberta, the major portion of the crude oil from which gasoline, kerosene and lubricating oils are manufactured in Canada, is imported from the United States and Mexico. Although there are several oil refining companies in Canada, the industry is dominated by Imperial Oil Ltd., a subsidiary of the Standard Oil of New Jersey, controlled by the Rockefeller interests. In fact evidence produced at Government investigations has proved that where the smaller refining companies have no refining plants in the immediate neighborhood, they buy the refined products in bulk from the nearest Imperial Oil refinery and sell them under their own brands.

Imperial Oil Ltd., has 2,000 distributing stations and 650 gasoline service stations in Canada. It not only owns about 2500 railway tank cars but also tanker ships for carrying crude oil with a total capacity of fifty million gallons. It owns and controls oil wells in Canada, Peru and Colombia, pipe line companies in Canada, and oil refineries in Canada and South America. It is linked up with Canada's chartered banks by one of its directors, G. Harrison Smith, who is also a director of the Royal Bank of Canada.

The other three Canadian oil refining companies with assets of more than \$10,000,000 each are the McColl Frontenac Oil Co., the British American Oil Co. Ltd., and Canadian Oil Companies Ltd. The McColl Frontenac Oil Co. Ltd. has two refineries, one in Toronto and one in Montreal, and owns 146 railway tank cars and three tank steamers. None of its directors as yet are directors of Canadian chartered banks but A. J. Nesbitt and P. A. Thomson of power, pulp and paper fame sit on its board of directors. The British American Oil Co. Ltd. has two refineries in Toronto and one in Montreal, and owns more than 200 railway tank cars and five tank steamers, besides oil wells and pipe lines in the United States. Of its seven directors, five are Canadian and two are American, and of these five Canadian directors four are also directors of various Canadian chartered banks. Canadian Oil Companies Ltd. owns one refinery in Petrolia, Ont., and an oil carrying freighter. It is affiliated with the National Refining Co. of Ohio and does not appear big enough as yet to have any of its directors on the boards of directors of any of the chartered banks.

IMPERIAL OIL LTD. Gross Assets \$255,757,758. (8 Directors)

Subsidiary Companies:

International Petroleum Co. Ltd.
Royalite Oil Co. Ltd.
Dalhousie Oil Co. Ltd.
Foothills Oil & Gas Co. Ltd.
Southwest Petroleum Co. Ltd.

Tropical Oil Co. Ltd.
Midwest Oil Co. Ltd.
Northwest Co. Ltd.
Imperial Pipe Line Ltd.
Imperial Oil Refineries Ltd.

Bank Director:

G. Harrison Smith R.B.C.

WHO OWNS CANADA?

McCOLL, FRONTENAC OIL CO. LTD. Gross Assets \$33,191,919. (11 Directors)

Subsidiary Companies:

McColl Bros. Inc., N.Y.

Frontenac Oil Refineries Ltd.

BRITISH AMERICAN OIL CO. LTD. Gross Assets \$27,604,332. (7 Directors)

Subsidiary Companies:

British American Oil Producing Co. (Del.)

Britameco Ltd.

British American Oil Refineries Ltd.

Britalube Ltd.

Toronto Pipe Line Co. (Del.)

Britamette Ltd.

Britamoll Ltd.

Bank Directors:

A. L. Ellsworth

B.N.S.

Col. A. E. Gooderham

B.T.

G. W. Allan

C.B.C.

Senator C. P. Beaubien

B.C.N.

CANADIAN OIL COMPANIES LTD. Gross Assets \$10,332,438. (9 Directors)

Subsidiary Companies:

Sarnia Toledo Transit Co.

RUBBER COMPANIES

Still within the category of chemical manufacturing companies come the companies manufacturing rubber tires, shoes and other rubber goods, which depend upon foreign raw materials to an even greater extent than the oil refining industry. Three companies account for more than 75% of the total assets of all rubber manufacturing companies in Canada. Of these the Goodyear Tire & Rubber Co. of Canada Ltd., and the Dominion Rubber Co. Ltd., are subsidiaries of American companies, whilst the third, the Dunlop Tire & Rubber Goods Co. Ltd., is controlled by the Dunlop Rubber Co. Ltd. of Great Britain and Canadian Industries Ltd.

GOODYEAR TIRE & RUBBER CO. OF CANADA LTD. Gross Assets \$22,777,701.

(7 Directors)

Subsidiary Companies:

Goodyear Cotton Co. of Canada

Goodyear Improvement Co. Ltd.

Bank Directors:

C.B. McNaught

R.B.C.

C. H. Carlisle

D.B.

DOMINION RUBBER CO. LTD. Gross Assets \$20,735,391. (12 Directors)

Subsidiary Companies:

Canadian Consolidated Rubber Co. Ltd.

Canada Rubber Co. Ltd.

Rubber Regenerating Co. of Canada Ltd.

Dominion Tire Co. Ltd.

Maple Leaf Rubber Co. Ltd.

Columbus Rubber Co. of Montreal Ltd.

Canadian Consolidated Felt Co. Ltd.

Bank Directors:

Sir Chas. B. Gordon

B.M.

Lieut. Col. H. Molson

B.M.

Ross McMaster

B.M.

Lieut.-Col. A. Magee

B.M.

J. W. McConnell

B.M.

DUNLOP TIRE & RUBBER GOODS CO. LTD. Gross Assets \$10,000,000. (9 Directors)

Bank Director:

Arthur B. Purvis

B.B.

NON-FERROUS METAL CORPORATIONS

Let us now turn to the Canadian corporations engaged in the extraction and manufacture of "non-ferrous metals", that is, metals other than iron and steel. Nickel is not only an important ingredient in the manufacture of kitchen sinks, kettles and tableware but also in the production of armor plate for battleships, shell cases, bullets and other far from peaceful implements. Over 80% of the entire world production of nickel comes from Canada and is controlled by one company, the International Nickel Co. of Canada Ltd., which in turn is controlled jointly by the Mond Nickel Interests of England and the International Nickel Interests of the United States. The annual capacity of the company's Canadian plants amounts to 90,000 tons of nickel, 120,000 tons of copper, 40,000 ounces of gold, 1,500,000 ounces of silver, and 300,000 ounces of the platinum group metals. Five

WHO OWNS CANADA?

out of its six Canadian directors are also directors of Canadian chartered banks.

Consolidated Mining and Smelting Co. of Canada Ltd., which is controlled by the Canadian Pacific Railway, is not only a considerable producer of copper and other non-ferrous metals in its own right, but also holds large blocks of shares in the International Nickel Co. of Canada Ltd., and several of its subsidiary companies and also 200,000 shares in Sherritt-Gordon. In 1932 it produced 33,346 ounces of gold, 5,522,366 ounces of silver, 253,237,783 lbs. of lead, 767,026 lbs. of copper, 130,567,785 lbs. of zinc and 65,425 lbs. of cadmium. Six out of 14 directors are also directors of Canadian chartered banks.

The Canadian Bronze Co. Ltd., which manufactures, bronze bearings, bushings and castings, supplies nearly all the railway requirements of the Dominion, holding contracts with the C.P.R., the C.N.R., the Temiskaming & Northern Ontario Railway and the branch lines of the Michigan Central, Pere Marquette and Wabash railroads in Canada, which is not very surprising when it is noted that four out of its 9 directors are also directors of the C.P.R.

Aluminium Ltd. is controlled by the Aluminum Co. of America, which in turn is controlled by the Mellon interests, and has a practical monopoly of aluminum production in Canada. The bauxite which is the raw material, is not found in Canada, but in British Guiana, whence it is brought to be treated by the hydro-electric power available in this country. The Canadian Company not only owns and controls the bauxite mining company in British Guiana and the smelting and refining plants in Canada, but also an Indian company, two Italian companies and two Swiss companies. Of its 9 directors, four are Canadian, three Americans and two Frenchmen completing the board.

INTERNATIONAL NICKEL CO. OF CANADA LTD. Gross Assets \$179,924,097.
(25 Directors)

Subsidiary Corporations:

Anglo Canadian Mining & Refining Co.	Huronian Co. Ltd.
International Nickel Company Inc.,	Mont Nickel Co. Ltd.
Delaware	Lorne Power Co. Ltd.
International Holdings Corp. Ltd.	Nickel Products Ltd.
Horseshoe Lake Mining Co. Ltd.	Ontario Refining Co. Ltd.
Amalgamated Metals Ltd.	

Bank Directors:

Jas. A. Richardson	C.R.C.	Hon. H. Cockshutt	B.M.
J. P. Bickell	C.B.C.	R. S. McLaughlin	D.B.
J. W. McConnell	B.M.		

ALUMINIUM LTD. Gross Assets \$68,267,426. (9 Directors)

Subsidiary Corporations:

Aluminum Co. of Canada Ltd.	Aluminumwerke A. G. Rossach.
Demerara Bauxite Co.	Alcan Power Co. Ltd.
Jeewanlal (1929) Ltd., India.	Aluminum Goods Ltd.
Societa del L'Alluminio Italiano.	Folien A. G. Arbon.
S A. d'Aluminum Coire.	

Bank Directors:

Leighton McCarthy	B.N.S.	John H. Price
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CANADIAN BRONZE CO. LTD. Gross Assets \$1,487,613. (9 Directors)

Subsidiary Corporations:

Montreal Bronze Ltd.	Winnipeg Brass Ltd.
St. Thomas Bronze Co.	Northwestern Brass Ltd.
	Diamond Bronze Co. Ltd.

WHO OWNS CANADA?

BANK Directors:

Sir Chas. B. Gordon
Ross McMaster

B.M.
B.M.

Sir Herbert Holt
A. E. Dymant

R.B.C.
R.B.C.

CONSOLIDATED MINING & SMELTING CO. OF CANADA LTD. Gr. Assets \$48,924,231.
(14 Directors)

Subsidiary Corporations:

West Kootenay Power & Light Co. Ltd.
Buena Vista Mining Co. Ltd.
George Gold-Copper Mining Co.
Iva Ferns Mines Ltd.
Bridge River Consolidated Mines Ltd.

Coast Copper Co. Ltd.
Northern Lead Zinc Ltd.
Sunloch Mines Ltd.
Solar Development Co. Ltd.
Pacific Coast Terminals.

BANK Directors:

Ross McMaster
E. W. Bentey

B.M.
B.M.

Sir Herbert Holt
W. J. Blake Wilson

R.B.C.
R.B.C.

W. A. Black
F. G. Osler

B.M.
D.B.

Let us again repeat "Who holds chemicals and who holds the non-ferrous metals has the industrial future of the world in his hands." We have dealt in this chapter with fourteen corporations controlling at least sixty subsidiary companies extracting gold, silver, lead, platinum and aluminum, manufacturing the rubber tires on which automobiles run and the gasoline which is used as their motive power, and producing not only the nickel, copper, aluminum, duco finish and artificial leather which goes into the construction of the automobile bodies, but also the nickel and copper alloys which go into ammunition and armor plate, warships and tanks, and the chemicals which go into the manufacture of high explosives and poison gases. But the majority of these corporations have even wider ramifications and are still more closely knit.

Canadian Industries Ltd., manufacturing explosives, ammunition, the ingredients of poison gases, duco finishes, artificial leather, cellophane, fertilizers and the ethyl compound which goes into "Ethyl" gasoline, is jointly owned by Imperial Chemical Industries Ltd. of Great Britain, and the Dupont interests of the United States. This same "Imperial Chemical Industries" of Great Britain controls African Explosives Ltd., which has an interest in DeBeers Consolidated Mines of South Africa and International Nickel Co. of Canada Ltd., which in turn controls the Mond Nickel Co. of South Wales, the Central Mining & Investment Co. of South Africa and the Victoria Syndicate of Canada. In Great Britain this same Imperial Chemical Industries Ltd. has considerable interests in British Titan Products, which in turn has interests in the National Lead Co. of the United States, Goodlass Wall & Lead Industries of the United Kingdom and Germany and the Imperial Smelting Corporation operating in South Wales and Burma.

For good measure, Imperial Chemical Industries Ltd. of Great Britain, the daddy of Canadian Industries Ltd., is closely connected by holding considerable blocks of shares with the I.G. Trust, the great Dye Trust of Germany, the Royal Dutch Shell Oil Company of Great Britain, the Standard Oil Company of New Jersey, General Motors Corporation and Ethyl Gasoline Corporation (U.S.A.). To tighten the tie-up, Canadian Industries Ltd. has a large stock interest in the Dunlop Tire & Rubber Goods Co. Ltd., Consolidated Mining & Smelting Co. of Canada Ltd., which is wholly owned by the Canadian Pacific Railway, holds a large block of shares in International Nickel Co. of Canada Ltd., and the Canadian chartered banks are strongly represented on the majority of these corporations by such directors as Sir Charles Gordon, Sir Herbert Holt, Ross McMaster, J. B. McNaught, Arthur B. Purvis, Jas. A. Richardson, J. W. McConnell, J. S. McLaughlin, Hon. H. Cockshutt, A. E. Dymant, Lieut.-Col. H. Molson, and Lieut.-Col. A. A. Magee.

CHAPTER 10.

Consumers Enchained

GONE is the old spinning wheel, the hand loom and the tailor sitting cross-legged on his table and stitching by hand every seam of the coat which he himself put out from the homespun cloth. Gone is the shoemaker who actually made shoes, the nailmaker who hammered out his wrought iron "tenpenny" nails, the watchmaker who made and fitted every little cog and wheel, and the "cabinetmaker" with his hand saw, and wooden plane.

There is little use entering into an academic discussion concerning the effect of mass production and the factory system upon "craftsmanship", or the value of "Art for Art's sake" in ennobling the spirit of mankind. The "good old days" are gone beyond recall, and there is considerable reason to doubt whether the producers of those days really believed them to be good.

We have been apt to take for granted the concentration and mechanization of manufacturing processes. We have begun to look upon the process not only as inevitable, but also as desirable for efficiency's sake. A division of function has developed, "machine made" for utility and for the poor, and "hand made" for ornament and for the rich.

Mass production is here to stay. The average man does not give a thought as to whether it is good or bad, and unless he is himself a victim in some factory he does not see through the finished article into the conditions and the system under which it was produced.

But "Mass Buying"! That is a horse of a different color. Somehow or other the combination of words has a sinister sound. No longer is it left to "Radicals", "Reds", and "Left Wingers", but even respectable Liberals and Conservatives get worried; not so much about the concentration of power in the hands of a few, not so much about the resulting low wages, long hours, poor quality of goods and unjustified profits, but because somehow or other, "Mass Buying" sounds much wickeder than "Mass Production."

Way back in many a worker's mind there lay the refuge from the fear of unemployment, the hope of someday becoming his own "boss". No time clock to punch. No speeding up. No laying off. Just a little more skimping, just a little more saving, a policy would mature, and he would have enough to open a little store and start in business "on his own". Those others too, those who felt themselves to be a cut above the "working classes" would learn the "Mens wear business", the "Shoe business", the "Ladies Ready to Wear" business and make a modest, comfortable and secure living "serving the public".

So they thought, but the past twenty years have witnessed an accentuation of a process which has disillusioned them. The little corner store isn't what it used to be. Department stores, Mail Order firms, and Chain Store branches have grown until they can be seen even by former members of the Dominion Cabinet.

It is really not surprising that Chain Stores and Department Stores have reached such a stage of development in this Dominion of Canada, for it is the home of that hoary Daddy of chain stores and "Mass Buying" organizations, the "Company of Gentleman Adventurers trading into Hudson's Bay", incorporated in 1670, with a chain of trading posts throughout the Northwest Territories selling anything from blankets to whisky and having for its motto "Pro Pelle Cutem", or in plain English, "A Skin for a Hide", whatever that may mean.

In the concentration of control of the merchandising field Canada takes a back seat to no country. True, it only has a population of a little more

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than 10,000,000, but in big stores it holds its own with its bigger neighbour to the south, and is way ahead of old England.

One of the tables in this chapter lists twenty-four large merchandising organizations, of which the first seventeen are the largest retail merchandising organizations in the world. The company with the largest annual total sales is the Great Atlantic and Pacific Tea Stores, of the United States, with 17,500 branches of which 278 are in Canada, and total sales which, in 1933 amounted to \$807,336,626 of which the sales in Canadian branches amounted to approximately \$12,000,000.

Total Sales of Leading Retail Merchandising Organizations, 1933.

		Total Sales	No. of Stores
Great A. & P. Stores	U.S.A. and Canada	\$807,336,626	17,500
Sears, Roebuck	U.S.A.	289,290,000	387
F. W. Woolworth Stores	U.S.A. and Canada	250,516,528	1,581
Safeway Stores	U.S.A. and Canada	219,628,977	916
Kroger Grocery	U.S.A.	205,691,715	3,765
Montgomery, Ward Co.	U.S.A.	197,553,940	541
J. C. Penny Co.	U.S.A.	178,769,939	1,005
T. Eaton Co., Ltd.	Canada	132,500,000	107
S. S. Kresge Co.	U.S.A. and Canada	125,972,803	440
R. H. Macy Co.	U.S.A.	112,672,000	3
Marshall Field Co.	U.S.A.	88,458,000	
May Dept. Stores	U.S.A.	76,469,967	6
Gimbels Bros.	U.S.A.	72,878,399	6
Simpsons	Canada	37,526,419	4
Hudson's Bay Co.	Canada	22,114,000	11
Dominion Stores Ltd.	Canada	19,758,368	510
Loblaw Groceterias	Canada	14,219,053	110
David Spencer, Ltd.	Canada	9,769,283	2
Woodward's, Ltd.	Canada	7,991,477	2
Stop & Shop, Ltd.	Canada	5,500,000	110
Thrift Stores, Ltd.	Canada	4,500,000	75
Piggly Wiggly, Ltd., B.C.	Canada	3,800,000	70
McBrides, Ltd., Regina	Canada	2,000,000	65
M. & P. Stores, Windsor	Canada	2,000,000	65

Total Assets of Leading Retail Merchandising Organizations, 1933

Sears Roebuck Co.	U.S.A.	\$231,848,235
Great A. & P. Stores	U.S.A. and Canada	188,740,430
F. W. Woolworth Co.	U.S.A. and Canada	177,630,059
Montgomery, Ward Co.	U.S.A.	145,669,807
S. S. Kresge Co.	U.S.A. and Canada	119,439,270
Marshall Field Co.	U.S.A.	100,060,287
T. Eaton Co., Ltd.	Canada	100,035,000
R. H. Macy Co.	U.S.A.	94,635,102
Gimbels Bros.	U.S.A.	80,252,334
J. C. Penny Co.	U.S.A.	69,385,657
Kroger Grocery Co.	U.S.A.	54,058,950
Safeway Stores	U.S.A. and Canada	51,335,469
Selfridge's	England	49,074,940
Harrods, Ltd.	England	51,832,385
Allied Stores, Ltd.	England	48,109,795
May Dept. Stores	U.S.A.	48,219,838
Simpson's	Canada	35,137,603
Hudson's Bay Co.	Canada	35,076,332
David Spencer Ltd.	Canada	13,707,021
National Grocers, Ltd.	Canada	6,745,421
Woodwards, Ltd.	Canada	6,700,000
Loblaw Groceterias	Canada	6,332,012
Dominion Stores, Ltd.	Canada	5,348,364

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The T. Eaton Co. Ltd. of Canada comes eighth in total annual sales and seventh in total assets, and is much larger than either Harrods or Selfridges, the two largest department stores in Great Britain. Simpsons and the Hudson's Bay Co. come sixteenth and seventeenth in amount of sales among the world's largest stores.

According to figures submitted to the House of Commons Special Committee on Mass Buying by Mr. R. P. Sparks, based on statistics compiled by the Dominion Bureau of Statistics, the total annual sales of the T. Eaton Co. Ltd., spread over the entire population of Canada would amount to \$22.60 for each man, woman and child in Canada, or 7.5% of all retail sales in the Dominion, whereas the total annual sales of the Sears Roebuck Co., the largest mail order and department store in the United States, is spread over the entire population of that country would amount to only \$3.60 for each man, woman and child in the United States, or only 0.9% of the total retail sales in the republic to the south.

In percentage of total retail sales and in amount of sales per head of the population the T. Eaton Co. Ltd. of Canada is the largest of its kind in the entire world. Canada's "Big Three" stores, consisting of the T. Eaton Co., Simpsons, and Hudson's Bay Co., account for 14.77% of all the retail business in Canada in the lines of merchandise which they sell, and the 8573 chain stores in Canada in 1930 accounted for 19.9% of the entire sales in Canada in that year.

Let us examine these stores a little more closely. First let us take the T. Eaton Co. and trace it to its source. Starting from the little general store operated by Timothy Eaton, it grew until it was incorporated as a private limited liability company in 1891, with a capital of \$248,500 and even now its subscribed capital is only \$1,006,000, although its gross assets amount to over \$48,000,000. Timothy died many years ago, but control has always remained in the Eaton family. No shares have ever been offered to the public, and R. Y. Eaton is the President.

Now for the set-up of the company. The Sir John Eaton Estate owns 8,890 of the 10,000 shares of the T. Eaton Co., Ltd. Besides this king pin of companies, the Sir John Eaton Estate owns and controls the International Realty Co., Ltd. of Toronto, The Eaton Knitting Co., Ltd. of Hamilton, The T. Eaton Life Assurance Co., Eaton Canadian Products Ltd. of Toronto, and Eaton Canadian Products (England) Ltd.

The T. Eaton Co., Ltd. itself directly operates 13 large department stores, 5 mail order warehouses, 32 smaller department stores under the name of Teco Stores and Canadian Department Stores, 57 Groceries, 3 Creameries, 40 separate mail order offices, 7 factories and 4 warehouses. It also owns and controls The Guelph Stove Co., Ltd. at Guelph, the Purchasers Finance Co., Ltd., the Canadian Chromalox Co., Ltd. of Toronto, the T. Eaton General Insurance Co., the T. Eaton Co. of France in Paris, the T. Eaton Co. of Berlin, its German buying office, and two small companies holding real estate.

A few years ago the T. Eaton Co. decided to show some generosity and give the "investing public" a chance to contribute to the capital of the company without sharing in its management or profits. The company therefore went through the motions of selling its store properties in various cities to the Sir John Eaton Estate (in other words, the Eaton family) for \$27,105,837. The Sir John Eaton Estate then incorporated a company called the T. Eaton Realty Co. Ltd., to which the store properties were sold for \$39,377,862, a clear profit of over \$12,000,000 to the Eaton Estate. The Sir John Eaton Estate kept control of the company by retaining \$12,000,000 of common voting stock in the new company and sold \$12,000,000 of 5% bonds to the public.

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Although the Eaton family seems to have a rooted objection to letting the outside public in on its own business, it has no objection to sitting in on the nation's business, and its president, Mr. R. Y. Eaton, is also a director of the Dominion Bank.

Now for the Robert Simpson Co. Ltd. and its holding company, Simpsons Ltd., 1929. It grew out of a little store founded by Robert Simpson in 1872 on Yonge St., Toronto. In 1896 the Robert Simpson Co., Ltd., was incorporated by Robert Simpson with an issued capital of \$133,000.

In 1898, the company was purchased by Sir Joseph Flavelle, A. E. Ames and H. H. Fudger, and in 1902, the Fudger interests were bought out by the Cox interests. In 1929 the Flavelle, Ames and Cox interests carried through a neat little financial maneuver—quite legal, you know—with the assistance of Wood, Gundy & Co., "Investment Bankers", whereby they sold \$5,000,000 in bonds for cash to the employees and the general public, and still retained entire ownership of all the common voting stock of the operating company. Evidently those who believe that you can't eat your cake and have it at the same time are way behind the times.

Now for the set-up of this company. First comes the holding company, Simpsons Ltd. 1929, whose directors are C. L. Burton, D. H. Gibson, A. J. Mitchell, Strachan Johnston, H. H. Bishop, H. G. Colebrook, J. H. Gundy of Wood, Gundy & Co. and British Columbia Packers Ltd., and Sir Herbert Holt of the Royal Bank of Canada.

Simpsons Ltd. 1929, owns and controls the Robert Simpson Co., Ltd., which in turn owns and controls the Robert Simpson Eastern Ltd., The Robert Simpson Western Ltd., The Robert Simpson Montreal Ltd., Keens Manufacturing Co. Ltd., Thompson Manufacturing Co. Ltd., Central Indoor Parking Garage Ltd., Les Representants de Robert Simpson S.A. (Paris buying agency) and The Robert Simpson Co. (England) Ltd. (London buying agency). It operates 4 retail stores, three mail order warehouses, 12 mail order offices and 34 merchant agents.

The Hudson's Bay Co. (Canada), although the oldest, is the smallest of the big three. It was founded in England in 1670 as the "Company of Adventurers of England Trading into Hudson's Bay", and the assets of the Canadian Company now total \$35,076,832. The Canadian business is run by the Canadian Committee whose members are G. W. Allan and Jas. A. Richardson of the Canadian Bank of Commerce directorate, R. J. Gourlay, Director of the Dominion Bank, C. S. Riley and H. B. Lyall. Besides the retail and wholesale stores and the fur trading departments it controls the following subsidiary corporations:

Hudson's Bay Oil & Gas Co. Ltd.
Revolon Freres Trading Co. Ltd.

Hudson Bay Co. Inc. (U.S.A.)
McClure & McKinnon Silver Fox
Farms, Ltd.

In the merchandising field it operates 225 fur trading posts, 17 fur buying agencies, a wholesale department selling its own brands of tea, coffee and alcoholic liquors, and ten department stores.

Leaving the field of large department stores and entering the field of grocery chain stores, we first come across Dominion Stores Ltd., the largest Canadian chain, with gross assets of \$5,348,364 and sales which totalled \$19,758,368 in 1933. This grocery chain has 510 stores, 3 warehouses, 3 bakeries, a tea packing plant and a bacon and butter cutting plant.

Its largest individual shareholder is Canada Packers Ltd., but 71% of the company's shares are held in the United States.

The second largest grocery chain in Canada is Loblaw Grocerterias Ltd., which has 110 stores and whose sales in 1933 totalled \$14,219,053. This company is controlled by the Loblaw estate which holds 54% of the Class B voting shares. From a total of \$2,007,360 invested in 1921 in common stock, and without any additional cash being invested, the assets have

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grown to a market value of \$12,684,672 in 1934, besides which \$3,312,000 have been drawn out in cash dividends during the 13 years of the company's existence.

"Stop and Shop Ltd.", a grocery chain with 110 stores has had a rather hectic career of mergers and consolidations. It started out as "Arnold Bros. Ltd.", was merged with "Pure Food Stores Ltd." to form "Consolidated Food Products Ltd." in 1928, swallowed "Montreal Piggly Wiggly Corp. Ltd." in 1929, and "George Arnold Ltd." of Toronto in the same year, to blossom out as "Stop and Shop Ltd." in 1932.

"Stop and Shop Ltd." is another of the "Wood, Gundy and Co." babies, being controlled by Exchequer Securities Ltd., which in turn is controlled by Wood, Gundy and Co. Sir Herbert Holt of the Royal Bank of Canada, Canada Packers Ltd., and T. A. McAuley also have several fingers and a thumb in this company's pie, for out of 49,208 common shares, the United Corporations Ltd. holds 11,400, Canada Packers Ltd. 6,822½ shares, and T. A. McAuley 4,672 shares.

The F. W. Woolworth Co. Ltd. of Canada, resembles in many respects the T. Eaton Co. in set-up. No stock in the Canadian company is sold to the public, and with exception of a few qualifying directors' shares necessary to meet the Dominion Companies' Act, all the remaining shares, being 745 out of the 750 shares, are held by the F. W. Woolworth Stores of the United States, and all profits go to the parent company, just as all profits and control in the T. Eaton Co. go to the Eaton family. The only difference, which is really immaterial, is that in the Eaton case, the beneficiaries live for some portion of the year in Canada, whereas in the Woolworth case, the beneficiaries live for some portion of the year in the United States.

In its Canadian operations, the F. W. Woolworth Company has expanded from 32 stores in 1912 to 136 stores in 1934, and during the five years 1929 to 1934, has paid out \$11,193,062 in profits to its American owners, while at the same time cutting the wages paid to its employees.

Besides the chain stores which are owned and operated by the Chain Store Companies there are what are called "Voluntary Chains". Only 9% of these so-called Voluntary Chain Stores are really groups of independent small storekeepers' who have voluntarily combined in buying groups. In the remaining 91%, the "Voluntary" element has to be looked for with a magnifying glass, whereas the "Chains" are very much in evidence.

In December 1933, according to the figures of the Dominion Bureau of Statistics, there were twenty-seven "Voluntary" Chain Store systems in Canada, including 6,170 stores with annual wholesale purchases of \$26,740,000. Of these, 5,625 stores with wholesale purchases of \$24,570,000 were tied up to wholesale grocery companies. Examples of such so-called Voluntary Chains are the "Red and White Stores" and "Marquis" stores owned by small retail storekeepers, who bind themselves to paint their stores a uniform color, carry out a unified system of advertising, and what is most important, purchase all their merchandise from one wholesale company.

Among the larger wholesale grocery companies which specialize in "Voluntary Chain Stores" are the National Grocers Co. Ltd., and Western Grocers Ltd. National Grocers Co. Ltd. was incorporated in 1925, to acquire twenty-three wholesale grocery companies in Ontario. It operates twenty-eight branches and warehouses, and owns two plants for the preparation of spices, extracts, tea and coffee. It shares with Western Grocers Ltd. and the Kelly Douglas Co. Ltd. of Vancouver, the control of the "Red and White Corporation of Canada", and twenty-four percent of its grocery sales are made to 705 Red and White and Leader Chain Stores. One of its

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directors, the Hon. George Gordon is also a director of the Bank of Nova Scotia.

Western Grocers Ltd. was originally organized as the A. Macdonald Co. Ltd. It bought up the Nash Symington Co. of Calgary, Moose Jaw Grocery Co. Ltd. and Cameron & Heaps Ltd. of Regina. Two out of its four directors are also directors of chartered banks, W. P. Riley being on the Canadian Bank of Commerce, and W. H. MacWilliams on the Royal Bank of Canada.

If there is anyone in Canada, who still believes that there is any escape from the treadmill of the capitalist system in the little corner store, then the information in this chapter should disillusion him. The danger lies not in mass production and mass buying but in who owns and controls the means of production and the buying power.

CHAPTER 11.

OH CANADA!

EVEN those Canadians who nurse a grievance against Rudyard Kipling for daring to refer to Canada as "Our Lady of the Snows" blush with conscious pride as with a glowing feeling of righteousness they recite that phrase about the "Lesser breeds without the Law", for with sublime faith they believe that "we are not as other nations not so blessed as we".

Canada, we are told, is a new country, a land of opportunity, where a man can go out into the woods or onto the prairies, armed with nothing more than an axe and a walking plough and come out twenty years later to bask in the gaze of ten million people as a "lumber czar", a "wheat king", a "dairy prince", a "cattle baron" or even as President of the Maple Leaf Milling Company.

Canada, we are told, is the land where individual enterprise and initiative still rule. This is the country of the "rugged individualistic" farmer, the prospector and the trapper, the land which is the paradise of the small retail merchant, butcher, baker and candlestick maker, or at least the Honorable Mr. Stevens thought so until he actually awakened to find that the "Mass Buying" snake had crept into his Capitalistic Eden.

Canada is a young land, where we are told we can still avoid the evil excrescences upon a benevolent Capitalism, such as mergers, trusts, cartels, combines, watered stock and interlocking directorates, which have developed in older countries such as Great Britain and the United States of America, whilst conserving all that is best and constructive in that "noble" economic system which believes that in lining the pockets of a few individuals, the welfare of the vast majority automatically follows.

Do the facts justify such beliefs? Is Canada the pioneer country in that first flush of individual enterprise, that early productive stage of capitalist development that some blissfully imagine it to be?

When Berle and Means in their book on "The Modern Corporation and Private Property" published only two years ago revealed that in the United States the two hundred largest non-banking corporations accounted for 49% of the 165 billion dollars which are the total assets of all non-banking corporations in that country, we calmly accepted the situation as being all one could expect from that land of trustification, combines, and "Big Business."

Now how does Canada actually compare with its bigger neighbour across the border in the concentration of industrial control? The ten preceding chapters have given a revealing picture of the stage which Canada has already reached in the concentration of control of the means of production, distribution and exchange. Corporations in the United States of America may be more numerous and larger than those in this country, but Canada is away ahead of its bigger neighbour when it comes to concentration of control.

Two hundred non-banking corporations in the United States possess 49% of all non-banking corporate assets, whilst one hundred non-banking corporations in Canada possess 90% of all non-banking corporate assets in this country. Oh Canada!

Let us set down one by one the outstanding facts which have been brought to light in the preceding ten chapters.

- 1) The total wealth of Canada as represented by the assets of all its transportation systems, public utilities, mines, construction equipment, pulp and paper mills, industrial plants of all kinds and whole-

sale and retail stores, according to the latest statistics available, amount to \$10,662,526,000. The "Survey of Corporate Securities of Canada", published by the "Financial Post" of Toronto lists 325 corporations operating in these fields which alone account for over \$8,800,000,000.

- 2) The 100 largest non-banking corporations in Canada have total gross assets amounting to 76% of all the wealth in Canada represented by all enterprises,—whether corporate or non-corporate,—engaged in Transportation, Construction, Mining, Public Utilities, Merchandising and Manufacturing of all kinds.
- 3) These 100 largest non-banking corporations dominate every major and essential industry in Canada upon which we depend for food, clothing, shelter and communication.
- 4) Approximately fifty men—Canada's "Fifty Big Shots"—through interlocking directorates control the majority of these 100 largest corporations and their numerous subsidiaries.
- 5) These fifty men are not foreign "International Bankers" of mysterious Eastern European origin, nor are they Jews or "materialistic atheists". All are of "good" Anglo-Saxon, Celtic, or French ancestry. They all profess to be good Christians, offering their allegiance to various recognized denominations, and with the exception of five born in the United States, three who hail from Scotland and one from Ireland, the remaining 41 are Canadian-born and bred.
- 6) Thirty-one out of these fifty "Big Shots" are over 60 years of age, only 5 are younger than fifty years, and one who is also a Senator is the ripe age of 88.
- 7) Seventeen out of the same fifty "Big Shots" are directors of the Canadian Pacific Railway.
- 8) Forty-seven out of the fifty "Big Shots" are directors of eight of Canada's chartered Banks.
- 9) Out of these forty-seven Bank Directors, only four have ever had any banking experience and none have made any systematic, scientific study of the economics of credit and banking.
- 10) Through interlocking directorates the nine largest Canadian chartered banks control practically every trust and loan company, insurance company and major investment trust in Canada, and form what is virtually a credit monopoly.
- 11) There is not one Jew on the board of Directors of any chartered bank in Canada nor of any of the large mortgage and trust companies.
- 12) The revelations of various "Commissions of Inquiry" both in the United States and in Canada have proved conclusively that the directors of a company do not need to own 51% of the stock to control a company, nor do they need to risk their own money. No longer do the so-called big capitalists use their own money in the gamble for power. It is "other people's money" that they use, the money of insurance policy holders and hundreds of thousands of scattered shareholders and bondholders for whom it is physically and economically impossible to attend shareholders' meetings.

There are very few nowadays who will deny or minimize the evils of a situation which has been outlined. The "Financial Big Shot" has few ends willing to take up the cudgels in public in his behalf. The Insull, Ruegers, Morgans, Sir Herbert Holts, Flavelles and Sir Chas. Gordons are

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not in good odour for the time being. They bend to await the passing of the storm. We hear much talk of "financial dictators", "banking bandits", "stock market manipulators", "crucifixion of the public on the cross of gold", the "bondage of interest", etc. from sources whence it would have been least expected some years ago.

Fine sounding phrases about "the life blood of the nation", "the banking harpies batten on their prey", "the money changers in the temple" and the "financial barons of Wall St. and St. James Street" have become part of the stock-in-trade of Liberal and Conservative speakers, of Fascists and Social Creditors alike. They cost nothing, pledge the speaker to nothing really drastic, and are always good for a round of applause and perhaps a few cheers; and can always be explained away when necessary by referring to the wicked and unethical capitalists as distinct from the honest, benevolent and constructive patriotic capitalists.

There can no longer be any question as to who owns Canada, or who controls it. Only the blind, the illiterate and those who refuse to see can have any doubts. The question remains, what are we going to do about it? Here lies the danger, for there are three ways in which the facts may be interpreted.

1. Liberal or "Reformed" Capitalism.
2. Fascism.
3. Socialism.

Those who put their faith in liberal capitalism (with a small "I") believe that "Pure" Capitalism, limpid and undefiled by unethical practices, is the backbone of civilization and the salvation, moral, social and economic of mankind. In it and around it are concentrated and grouped all the creative and constructive qualities of initiative, daring, bravery, self interest and sympathetic charity, upon which its disciples lay much stress. Poverty, unemployment, sickness, bribery and corruption, exploitation of producer and consumer, are all merely barnacles which have fastened themselves to the hull of the good ship "Capitalism". All that is necessary, say our Moleys and Roosevelts, our Stevens and Jerry McGeers is to scrape off the barnacles, give the hull a coat of anti-fouling paint, and tell the captain and crew to behave themselves like gentlemen and all will be well in the future.

The anti-fouling solution which they recommend contains among its ingredients, such things as "Codes", limitation of production, process taxes, regulation of stock exchanges, central banks, prohibition of interlocking directorates, free trade, taxation of chain stores and prohibition of Mass-buying. Some advocate a mixture of all the ingredients. Others place their faith in combinations of one or more of the ingredients.

Engineers and retired majors have shown a particular addiction to a new remedy, brought on perhaps by too prolonged an exposure to "A plus B" theorems. It is guaranteed to be non-intoxicating, non-habit forming, absolutely harmless to dividends, profits, private ownership and individual initiative. It contains no Socialism, Communism, Collectivism or any other kind of "ism" calculated to turn the stomach of Capitalism. It is called "Social Credit" (Trade mark registered by Douglas). In accordance with the Douglas Social Credit theory, a distinction is made between the wicked and the benevolent capitalist, the so-called parasitic capitalist on the one hand and the "productive" capitalist on the other. Industrial Capital is claimed to be separable from Finance Capital and to be fundamentally antagonistic to it. The good and noble Industrial capitalist is pictured as being grasped and squeezed by the tentacles of the vile and sinister Finance capitalist.

This is the greatest and most dangerous of economic fallacies. In the present stage of economic development there is no distinction or difference between Industrial and Finance Capital. Both are merely twin facets on Monopoly Capital. To haggle over the question whether the Finance capitalists swallowed the Industrial capitalists or whether the Industrial capitalists swallowed the Finance capitalists is as futile as to argue which came first, the chicken or the egg. In Canada in particular, with rare exceptions Bank Directors start out as Directors of Industrial Corporations, and having collected sufficient directorships in the larger and more important Public Utility, Pulp & Paper, Transportation and Manufacturing Corporations, they are rewarded by being given a seat at the directors' table of one of the Chartered Banks.

Advocates of Fascism, open or concealed, are at least realistic enough to refrain from talking of freedom, equality, workers' rights and privileges, in the same breath as capitalism. They realise that free competition and individual rights are worn out shibboleths in the present stage of Capitalism. The men who pull the Fascist strings, as distinct from those who allow themselves to be used as tools in return for a black, brown or white shirt and a Sam Browne belt, realise that Capitalism can only ensure a longer lease of life for itself by throwing away the kid gloves it has worn in the past, and clamping its iron fetters more firmly round the arms and ankles of the workers whom they fear. It matters not whether they are unskilled laborers, skilled tradesmen, office workers, small storekeepers or professional men. Fascism is feverishly engaged in fashioning the handcuffs and leg-irons for them, to be worn impartially, whether as goose-stepping Storm Troopers or as bludgeoned members of "Labor Battalions."

The Fascist also does not scruple to use the discontent which arises as a result of the economic impasse into which Capitalism has run itself, but not with the object of reforming capitalism as the believers in a planned capitalistic economy do. The fascist uses the slogans which arise out of the discontent for propaganda purposes, to draw a red herring across the trail and to decoy the dissatisfied worker and middle class citizen into his trap. There is no straining after consistency. There is no fear on his part of putting radical ideas into men's minds. Once his victims are in his power he depends upon the knuckle duster, the whip and truncheon to keep them from jumping the fence. So we find the Fascists with a sly wink, using the slogans of "International Banker", "Down with Finance Capital", "Down with the Chain Stores and Big Department Stores", while they forge the fetters for workers, small storekeepers, professional men and all women alike.

Any attempt to regulate and temper Capitalism is doomed to failure. There can be no planned economy that will work under Capitalism. The evils of Capitalism are not removable excrescences. They are inherent in the system. It cannot exist and prosper without them. Codes and Price fixing schemes cannot help producer or consumer under its rule. Neither producer nor consumer is assured of a decent living by such means. All that is guaranteed is the profit of Monopoly Capital. As long as private monopoly ownership of the means of production, distribution and exchange exists, no government, whether Liberal, Conservative or Labor, can control it, but the "Fifty Big Shots", no matter who they are at the moment, will control the government.

It does not matter whether those who control the means by which we live by sitting on the Boards of Directors of these corporations lead good lives or evil lives. It does not matter whether they endow hospitals, churches and universities or spend their money in loose living. It does not matter whether they are Canadian, American, British or foreign, whether they are Nordic or Mediterranean. It does not matter whether they are Presbyterian or Anglican, Mohammedan or Buddhist. Those who

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have come to the conclusion that the present economic system cannot and must not be repaired, cannot waste time and energy in needless personal invective against the Holts, Flavellies, McLeans, Morgans, Van Sweringens etc. Were these individuals to go tomorrow, others would take their places, as long as the system was allowed to continue.

Prohibition of Mass Buying, of interlocking directorates and of stock watering is of no avail. There is always some way of evading the spirit of the law whilst keeping within the letter, especially when the best legal talent in the land can be hired at a price.

The capitalistic tiger will not lie down peaceably beside the lady, not even after a good stiff dose of "Social Credit". As long as the tiger exists the story can only end up with the lady inside the tiger.

Royal Commissions and the Stevens Committee have brought nothing new to light that was not well known years ago to all socialists. Starvation wages, low prices to primary producers, extraordinarily high bonuses and "honorariums" to directors, and the deliberate wrecking of companies so that they might be "reorganized" at the expense of the gullible investor are ancient history. These investigations have only served to provide the means of quoting chapter and verse from the official evidence.

"Laissez Faire" Capitalism is too far gone to be rescued by patching it up with codes and regulations. The addition of new fangled gadgets can do just as much good as adding a cigar lighter, free wheeling and "knee action" to an old Red River Cart. The race is now between Socialism and Fascism, between that economic liberty without which so-called political liberty is a sham on the one hand, and that economic, social and political slavery of Fascism which is the apotheosis of Capitalism on the other.

Which of these will be the first to reach the post in Canada?

